

The NATIONAL UNDERWRITER

Life Insurance Edition

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Power



★ The progress of a life underwriter is measured by the sales power he can deliver . . . consistently, decisively. The Ætna Life Insurance School is geared to provide power for sales success. The principles it teaches are sound and workable. They are earning bigger commissions today for the many graduates of the Ætna Life planned salesmanship course conducted by the School's field-seasoned instructors.



The next five-week session begins on January 12, 1942

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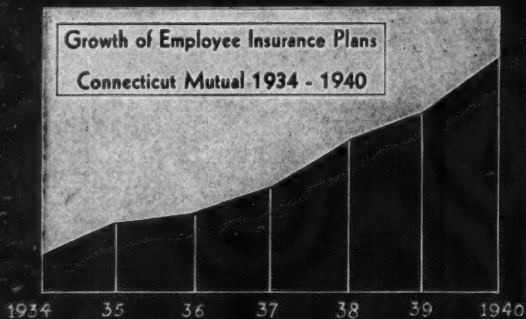
FRIDAY, OCTOBER 24, 1941

A Picture of Progress

EMPLOYEE INSURANCE PLANS
HAVE RAPID GROWTH

Backed by a special Home Office Department, trained field consultants, and effective sales helps, Connecticut Mutual fieldmen have steadily gone forward in the sale of Salary Savings, Bonus, and Profit Sharing plans.

Growth of Employee Insurance Plans
Connecticut Mutual 1934 - 1940



*Connecticut
Mutual*
Life Insurance Co.

95 years of
Dependable Performance

Dollars For Defense

THROUGHOUT the United States, the cry today is DOLLARS FOR DEFENSE! People in all walks of life—in every city, town and community—are being urged to invest funds for the future protection of the nation.

Such activity provides exceptional and timely opportunities for the life insurance agent. The uncertainty of the times emphasizes to millions of Americans the value of investing dollars for personal defense through life insurance.

The Atlantic Life Home Defense policy—especially designed to provide dollars for *personal* defense is the last word in modern protection!

For full details regarding an agency in North Carolina, South Carolina, Tennessee, West Virginia or Maryland, write to Robert V. Hatcher, Vice President.

Atlantic Life INSURANCE COMPANY
Richmond, Virginia

A NEW PLAN

"Three-Fold Security"—a new Fidelity plan just released—meets the three basic insurance needs of the great middle income group—today's insurance buyers. The plan, wrapped in one easily owned package—and priced right for this market—offers this three-fold security.

\$50 a month at age 65, guaranteed as long as you live, and if you die before 65—

\$50 a month to your wife for ten years, and in addition—

\$1,000 in cash to square you with the world and take care of those last expenses.

Easy to understand—easy to own—easy to sell—the new Fidelity Three-Fold Security plan meets the insurance needs of the vast middle income group.

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President

The NATIONAL UNDERWRITER

Forty-fifth Year—No. 43

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, OCTOBER 24, 1941

\$3.00 Year, 15 Cents a Copy

Cardiograms Would Allow Passing of Many Now Rejected

Medical Directors Hear Latest Developments in Various Fields

NEW YORK—Routine requiring of electrocardiograms for all applicants with high blood pressure would enable life companies to appraise their probable mortality considerably more accurately and permit acceptance of many applicants who are now rejected, it was indicated in a paper presented at the annual meeting of the Association of Life Insurance Medical Directors by Drs. R. M. Daley, H. E. Ungerleider, and R. S. Gubner of Equitable Society.

Results of a study made by the authors indicate that the stage of hypertensive disease (high blood pressure) as determined by the electrocardiogram is an important consideration in the evaluation of insurability. Since 56 percent of the hypertensive applicants covered in the study showed abnormalities in their electrocardiograms, it would appear worth while to have electrocardiograms made routinely for all applicants with hypertension where the blood pressure readings are consistently 150/90 or over, the authors conclude.

Suggest Investigation

They recommended that a joint investigation be undertaken to establish more specifically the influence on mortality of the findings of cardiac hypertrophy and coronary and aortic arteriosclerosis in subjects with hypertension with the ultimate view of applying the findings in evaluating insurability in connection with other considerations, such as blood pressure readings.

It would be possible to take many applicants with high blood pressure if there were an accurate method of determining what stage the disease had reached, in other words, how much longer it would presumably be before the disease ran its course and caused the victim's death. If, as is indicated by this study, the stage to which the disease has progressed can be determined by an electrocardiogram in more than half the cases showing high blood pressure it should be possible to discriminate much more accurately between these applicants so that while some who might otherwise have slipped past will be rejected or properly rated it will be possible to accept many of those who would have been rejected without an electrocardiogram.

Dr. William Bolt, New York Life, led the discussion of this paper.

In their study of the inheritance of longevity, based on life insurance records, Dr. Louis I. Dublin, third vice-president and statistician, and Herbert H. Marks, of Metropolitan Life reached the conclusion that if both an applicant's

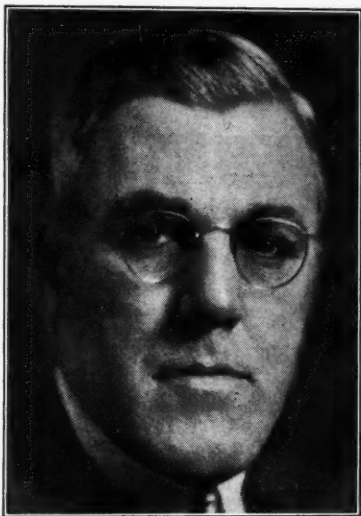
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Current Trends Portend Revisions

Maclean Sees Change in Premium, Interest, Dividend Calculations

The current trend toward a financial economy controlled by the government and leading toward a long period of low interest rates if continued will make a revision in life insurance calculation of premiums, interest and dividends unavoidable, Vice-president Alexander T. Maclean of Massachusetts Mutual told the office management group of the company at its annual meeting.

World wide and domestic conditions have multiplied the problems not only



A. T. MACLEAN

of life insurance, Mr. Maclean said, but of all commercial fields. Indicating the intensified investment problems in non-government securities, the SEC now requires that many public utility companies must advertise for bids and sell their securities to the highest bidder. If a life company decides to bid for an issue it now must estimate within a very few hundredths of 1 percent what the issue is worth and cannot depend upon an issue which the investment banker has purchased through a private negotiation at a fair price and is willing to sell at a reasonable figure.

Scores Undue Pessimism

It is impossible, of course, for a life company to determine the future effect upon its business, he declared, of the increasing burden of taxation, possible municipal or government competition, public ownership of facilities, state or federal regulatory legislation, possible rate reductions, the program for national defense, decreases in payment of public moneys to farmers or unemployed persons or fundamental changes in economic or business conditions in the territory served by the company. However though the future is certainly not promising, Mr. Maclean felt that undue pessimism should not be allowed to overwhelm sound thinking. "There is, of

Need Remains Despite Inflation

Beneficiaries Glad of Dollars, Whatever Their Power, Fischer Advises

In answer to those who decline to buy life insurance because of fear of imminent inflation, Chester O. Fischer, vice-president of Massachusetts Mutual, told the Utica Chamber of Commerce that of the thousands of beneficiaries of life insurance he has talked to, not one even so much as mentioned the fluctuation of the purchasing power of the dollar. This, in spite of the fact that since the turn of the century the dollar has run both the inflationary and deflationary gamut.

There is no need of getting flustered and going to pieces over the present state of the dollar, he declared, if we compare it to that which the economists consider normal, the 1926 price level. Taking this as 100, prices in 1933 dropped to 60 and now are only at the 90 percent level. It is interesting and encouraging to note that during only 19 of the past 151 years was the commodity price level above that of 1926.

Inflation does not last forever, Mr. Fischer stated and has always been the direct result of war, short-lived and followed by a period of deflation.

1915-20 Inflation Years

The period from 1915 to 1920 witnessed a 100 percent increase in prices, yet it should not be supposed that families bereaved of breadwinners in 1920 wished that their husbands and fathers had refused to buy life insurance because the dollar would buy more commodities in the earlier years. The majority of people, buying insurance in 1915 and previously, lived on through this inflationary period, Mr. Fischer said. It was fortunate for them that they did, for following the stock market crash in 1929, there came a depression with the result there was a decline in prices. In the midst of this deflation, thousands of policyholders turned to life insurance, their only source of cash for the maintenance of themselves and their families. None of them regretted keeping their insurance in force through the inflation of the first world war years.

Because the insured's death can occur during a period of inflation, deflation or normalcy, Mr. Fischer suggested spreading the payments by making arrangements to pay an income instead of a principal sum to his family. With the plan in operation the family should receive some of the income during all three periods, if the economic cycle repeats itself as it has long been accustomed to do.

course, a certain danger in assuming that everything must be different, that a new world has dawned as so many people believed in the financial exuberance of 1926," he declared.

Mr. Maclean outlined briefly the remarkable achievement of life insurance representatives that have contributed richly to helping the public to fortify itself financially. He expressed confidence that they will recognize the in-

(CONTINUED ON PAGE 9)

New Outlets Needed for Company Funds, Say Some Experts

New York Legislative Committee's Hearing on Life Insurance Investments

NEW YORK—If life companies are to escape from the predicament of holding substantially nothing but government bonds in their portfolios new outlets for their funds must be discovered and common stocks, on the record, as an outlet should be thoroughly and completely studied, President Lewis W. Douglas of Mutual Life of New York told New York legislature's joint committee on insurance law revision at its hearings on the advisability of permitting life companies to invest in common stocks.

Chairman F. H. Ecker of Metropolitan Life, however, denied that the scarcity of investments is acute and flatly opposed letting down the bars to common stocks.

Makes Objective Appraisal

In a lengthy statement which followed the presentation of the pro-common stock viewpoint by Commissioner Sumner T. Pike of the Securities & Exchange Commission, Mr. Douglas set forth considerable statistical material in which he endeavored to appraise as objectively as possible the characteristics not only of common stocks but of the various forms of investment already legal for life company investment. He wound up by saying that the statistical record is confusing, conflicting and complicated and indicated that what has been true in some cases of common stocks has also been true in some cases of bonds and mortgages.

Also, he pointed out that while there are certain essential defenses against the weaknesses inherent in common stock transactions such as selection, evaluation and administration, these defenses cannot be wholly assured by law or regulation but that much must depend on the competence with which the operations are undertaken.

Governments the Sole Field

Tracing the shrinkage in new investments available in corporation bonds, farm mortgages, and urban mortgages, Mr. Douglas said that investors in the aggregate have found no net investment outlet in the last decade in the whole of private obligations of the type eligible under the New York state law for institutional investors. To the extent that one institutional group has increased its holdings it has done so by purchasing existing securities from someone else.

Obligations of the government, however, have increased during this period and have provided the sole source of new outlet for all investors in obliga-

(CONTINUED ON PAGE 8)

Economic Union with Canada Is Urged by Pink

TORONTO—Closer economic union between Canada and the United States was urged by Superintendent Pink of New York before the annual meeting of the Ontario Fire & Casualty Insurance Agents Association here. After pointing to the freedom with which Canada and U. S. companies operate in both countries, Mr. Pink said that the U. S. has at least three times as much money invested in Canada as in any other country in the world and "today we cannot be sure that our foreign investments are safe anywhere except in Canada," which emphasizes the need for closer economic ties.

When one views the mess that economic rivalries have brought to curse us, it is no idle dream to envision the free play of commerce and industry over the entire North American continent, Mr. Pink declared. "We have done very well without forts. May we not as friends and partners do even better in the perilous future which we face without custom houses?"

"Whether there is a political boundary between the United States and Canada makes little difference. But it is urgent for the maintenance of individual rights and self-government, of peace and prosperity on this continent, that there be economic union now."

The main purpose of insurance, to share risks and protect men and women against catastrophes of life, is a wholly beneficent one, Mr. Pink said. As a bulwark and stimulant to business it also contributes much to the economic welfare of mankind. Yet the very size of insurance and of its invested funds causes jealousy and concern and makes the institution vulnerable to attack, he pointed out. Safety and stability must come first. However, it is possible that insurance must use its vast resources in ways that are socially useful. For example he pointed to the Metropolitan Life's modern apartment project on the outskirts of New York City. "Insurance funds must be increasingly used in rebuilding and replanning our cities which are outworn and outmoded and face eventual bankruptcy if something large and constructive is not done. Here, in cooperation with city government, is a new and, if properly managed and planned, a safe and useful outlet for our presently unwanted capital," he declared.

New Industrial Section Secretary Civic Minded

Bascom Baynes, president Home Security Life and new secretary of the American Life Convention's Industrial Section, entered the insurance business in 1927. Prior to time he had been connected with Odell Hardware Company in Greensboro, N. C., for a number of years, being vice-president and general manager when he left to enter the insurance field.



Bascom Baynes

Mr. Baynes went with the Greensboro Life in 1927 and in 1930 was made president, serving until 1932 when that company was merged with the Home Security Life of Durham. With the Home Security Life he has served as agency manager, vice-president, executive vice-president, and since 1939 as president.

Mr. Baynes has been active in civic affairs. He is a past president and now a director of the Y. M. C. A. He is a director of the Durham Chamber of Commerce, president Durham Rotary Club, president Durham Baseball Club and general chairman Durham Community Fund.

University of Minnesota to Hold Life Institute

MINNEAPOLIS—A week's institute in life insurance underwriting opens at the University of Minnesota Oct. 27. More than 50 are expected to enroll, many of them living on the campus during the course which is sponsored by the university in cooperation with the Minnesota Association of Life Underwriters and the National association.

Instructors include members of the university faculty and Paul Dunnayan, Canada Life; Harold J. Cummings, vice-president Minnesota Mutual Life; Louis Gross, State Mutual; and Edward H. Keating, Equitable Society.

Speaking Program for Institute

The Institute of Life Insurance intends to hold its annual meeting in New York in December and there will be a speaking program. Heretofore the meetings have been closed.

Flexible Option Move Grows

Marked progress is being made in the campaign for flexible settlement options which was initiated by Warner C. Wilson, Guardian Life, president of the Cincinnati Life Underwriters Association, according to reports he is receiving from numerous sources. At the recent convention of the National association, the resolutions committee recommended that the board of trustees place the whole subject in the hands of Managing Director Roger B. Hull to work out with the companies. There are only a relatively small number of companies whose rules do not now permit giving the beneficiary the right to divide the proceeds of a policy between two different options, but some of these are quite important companies.

It is understood that the matter is now in Mr. Hull's hands and that a change which will bring some of these in line with Mr. Wilson's principles will be made at an early date and that most of the others are coming along in due course. That practically every home office man, who has been given a chance to choose between the three possibilities offered in the original problem set up to demonstrate the desirability of flexible options, has chosen the same solution as did 92 percent of the agents when the survey was submitted to them, is regarded as highly significant.

One of the important features of this subject is that field men have developed programs as a sales technique and some company contracts do not fully carry out the plans being sold. According to Mr. Wilson, it is felt that in the long run this may result in a dangerous situation, out-weighting the technical objections usually offered and that forms are entirely possible which would not only be more understandable and salable but would also avoid these technicalities.

Test Ia. Paid-Up Premium Tax

DES MOINES—The Prudential has taken to the Iowa supreme court the question of the Iowa 2½ percent premium tax on paid-up insurance. Prudential attorneys contend the tax is a duplicate assessment. Appealing from a recent decision by District Judge Halloran, who dismissed the company's claim and refused to enjoin the state tax commission from collecting the tax, the company asked a refund of \$25,144 in such taxes already paid. It paid the tax under protest. The court action is a test case, as 12 other companies also have paid under protest.

Revenue Department Seeks Federal Tax on Bond Transfers

DES MOINES—Imposition of a transfer tax by the internal revenue department on industrial and utility bonds deposited with the Iowa insurance department under the state depository law has created considerable interest in Iowa.

Ed Birmingham, internal revenue collector for Iowa, disclosed that the federal tax, in effect since 1937, has been interpreted as applying to the bonds, other than government bonds, deposited with the state insurance department and that an effort is being made to collect back fees estimated at running close to \$30,000. The tax is five cents per \$100 of face value. Companies with large holdings of such bonds on deposit with the insurance department include Bankers Life of Iowa, Equitable of Iowa, and Central Life of Iowa. One of the companies has over \$22,000,000 industrial and utility bonds on deposit with the department.

The insurance companies are expected to fight the revenue department's interpretation of the law and take the matter to the U. S. Supreme Court, if necessary.

It was pointed out that the insurance department has no jurisdiction over the bonds, except if the company goes into receivership, and that the companies have title to the bonds with the insurance department holding the assets "in trust."

The revenue department based its interpretation on section 3481 of volume 53, Part 1, of the United States statutes at large, imposing a tax of four cents on transfer of each \$100 worth of bonds. The law was amended in 1940, raising the rate from four to five cents.

The Iowa insurance department estimated it had \$612,000,000 securities of all types on deposit from Iowa insurance companies, but no estimate could be made of industrial and utility bonds.

Project Conn. Bank Rates

Russell Hooker, chief actuary of the Connecticut department, is now engaged in working out a schedule of rates for savings bank life insurance inasmuch as the banks in that state were recently authorized to engage in such business. It was predicted that the rates will be higher than those under the New York system which in turn are higher than those in Massachusetts.

In Charge of National Life & Accident's Agency Department



G. C. LYNCH
Agency Vice-President



CHARLES LUKER
Superintendent of Agents



ED. C. MASON
Western Manager



R. E. MUSTO
Eastern Manager

Under National Life & Accident's new agency department setup, G. C. Lynch

will be in charge as agency vice-president, assisted by Charles Luker as su-

perintendent of agencies. Ed. C. Mason

will be in charge of western territory, R. E. Musto, eastern, and J. H. Brakebill,

Harrison Advocates Defense Financing

Permanent Investors Would Stem Inflation, N. Y. Bankers Told

WHITE SULPHUR SPRINGS—In financing the defense effort it would be good fiscal policy for the Treasury to tap next the group known as permanent investors—savings banks, life companies, endowment funds, trust estates, and even wealthy individuals, President George L. Harrison of New York Life declared at the annual meeting of the New York State Savings Banks Association here.

Federal reserve authorities, the Secretary of the Treasury, and many others have for months been emphasizing the importance of having the growing public debt held to the greatest extent possible by individual and institutional savers and investors who need and seek a longer investment with a relatively higher yield, he pointed out, adding that one important reason for this move, quite apart from satisfying the investment demand, is that the purchase of government bonds by such investors does not affect the total volume of bank deposits but rather simply transfers to the government bank deposits already held by the investor.

Would Be Anti-Inflationary

Mr. Harrison said that because of the aggregate of bank deposits and the record volume of currency in circulation it is doubtless preferable, from the point of view of monetary and fiscal policy, for the government to finance requirements as far as possible by utilizing existing deposits rather than by the creation of new and unneeded deposits. "Certainly investment funds represented in existing deposits should be tapped before bank credit is resorted to if we wish to lessen the effects of an inflationary movement," he warned.

Another reason why the funds of permanent investors should be utilized before bank credit is that it would make for a much greater stability in the bond market, he said. He suggested various steps which might be taken, not with the aim of eliminating the banks entirely from the picture but merely of restricting them to shorter term securities which have less risk of intermediate fluctuations and which are much more easily liquidated in a period when a bank may be seeking liquidity. For example, while a commercial bank can now subscribe up to one-half its capital for any new government issue, this limit might be reduced to a point where only a relatively small amount of long-time issues could go into commercial bank portfolios, whether for quick turnover or for a longer investment period. Another possibility that has been discussed is to have the Treasury require that long-term bonds issued by it be registered and nontransferable for a fixed period, say three or six months or even a year.

Discusses Private Placement

Discussing the subject of private placement of security issues with insurance companies, Mr. Harrison quoted from a talk he made before the Bond Club of New York last January in which he stated that, "possibly no one investor can alter the practice in fairness to its own beneficiary—I am not sure. But I do feel that the public interest will be better served in the long run if the practice were substantially restricted, leaving to the established machinery of the capital market both the capacity and the continuing responsibility of caring for the needs of large and small borrowers, as well as large and small investors in both good times and hard times."

Mr. Harrison said that for the first several months of this year the New York Life refrained from taking investments

Legal Section Secretary Has Been with Bankers 15 Years

Joseph P. Lorentzen, general counsel Bankers Life of Des Moines, the new



J. P. Lorentzen

Legal Section secretary of the American Life Convention, has been with the Bankers since 1926 when he joined the legal department as assistant counsel. He was named associate counsel in 1935, and elevated to his present position in 1937.

A native of Michigan, Mr. Lorentzen received his education in law at Highland Park College and Drake University, both in Des Moines.

Following army service during the world war, he joined the Des Moines law firm of Carr, Carr & Cox. In 1923 he affiliated with the firm of Carr, Cox, Evans & Riley and in 1924 became a member of the law firm of Lorentzen & Shepherd.

through private placement with the hope that the various groups interested in the capital market would be able to find some appropriate solution, but that experiences of the past few months climaxed by "all the to-do over the recent financing of a large public utility issue confirm some of the doubts I expressed in January and certainly demonstrate that no satisfactory solution has yet been found."

Suggests Commission Adjustment

Emphasizing the necessity of the investment banker's role and the bad results that would follow curtailment of the banker's services, Mr. Harrison said that a possible and reasonable inducement

(CONTINUED ON PAGE 7)

Life Men Throwing Full Energies Behind Defense Program

TORONTO—Life insurance men and women throughout the democracies are throwing their full energies behind the defense of democracy, for they understand that life insurance and democracy are inseparable, Holgar J. Johnson, president Institute of Life Insurance, declared before the Ontario Association of Life Underwriters here.

"Life insurance is democracy in action," Mr. Johnson said. "It is a great joint enterprise for individual and family security, developed to the maximum in democratic countries. Security and freedom are not the accident of the times. They are the product of the democratic system which we have built. Because of this we too are supporting the great defense program in which we are engaged to the maximum of our abilities, recognizing that life insurance is today a most vital factor in the economic security of our families and dependent on democracy."

Increased Demands For Financing

"There are greatly increased demands for financing of both government and the defense industries. Life insurance is extending its aid to the best of its abilities, putting to work for the defense of democracy the reserve funds of the policyholders, whose whole program of security is so closely linked to this primary objective today."

Agents are contributing from their time and energies in the selling of defense bonds, as a patriotic service to the nation. This can be a help of no small proportions, Mr. Johnson said, pointing to Liberty bond sales record.

"But life insurance by its very existence makes even greater contributions

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Ordinary Sales Up 15% in September, 6% for Year

Ordinary life sales showed a 15 percent increase in September. Total was \$581,988,000 according to the Sales Research Bureau. Sales for first nine months totaled \$5,199,526,000, an increase of 6 percent. The east south central states showed the largest gain in September with an increase of 24 percent, followed by the Pacific states with 23 percent. New England and mountain states were up 18 percent, south Atlantic 16 percent, east north central 15 percent, middle Atlantic 14 percent, west north central 10 percent, and west south central 5 percent.

Boston showed a gain of 13 percent for September with a 6 percent increase for the year. Chicago showed 12 percent gain last month and is 2 percent behind for the year. Cleveland was up 18 and 5 percent; Detroit showed the best record with gains of 33 and 20 percent; Los Angeles was up 10 and 6; New York, up 6 percent but 2 percent behind for the year; Philadelphia ahead 12 and 6 percent and St. Louis, 2 and 1. Sales by states follow:

Sales Volume in \$1,000

		September	Year to date
	% Inc. or Dec.	% Inc. or Dec.	% Inc. or Dec.
Ala.	6,761	28	\$ 52,136
Ariz.	1,379	51	13,063
Ark.	3,040	10	29,721
Calif.	39,179	22	332,251
Colo.	4,991	13	48,129
Conn.	12,009	19	106,156
Del.	1,651	36	15,124
D. C.	5,247	10	50,704
Fla.	6,999	19	63,239
Ga.	10,485	25	75,917
Ia.	1,852	29	13,258
Ill.	43,902	12	400,604
Ind.	14,295	—2	128,838
Iowa	10,744	12	94,823
Kan.	8,229	32	64,500
Ky.	7,949	34	59,865
La.	5,593	—	49,677
Me.	2,814	21	24,845
Md.	8,692	15	78,529
Mass.	22,580	19	212,861
Mich.	24,378	21	233,576
Minn.	11,517	1	102,379
Miss.	3,397	5	28,200
Mo.	15,805	7	146,868
Mont.	1,771	—4	16,546
Neb.	5,517	7	50,258
Nev.	638	53	4,575
N. H.	2,054	8	20,706
N. J.	24,505	19	223,427
N. M.	1,931	5	9,556
N. Y.	74,804	11	727,085
N. C.	1,186	6	78,823
N. D.	1,582	10	12,812
Ohio	36,490	20	325,452
Okla.	7,680	6	67,842
Ore.	5,386	19	43,700
Pa.	49,672	18	438,144
R. I.	4,282	15	40,271
S. C.	4,131	7	36,344
S. D.	2,063	34	15,016
Tenn.	9,349	24	74,398
Tex.	27,306	5	238,959
Utah	2,745	28	22,872
Vt.	1,465	7	12,948
Va.	9,589	20	81,020
Wash.	9,997	33	79,513
W. Va.	5,135	9	44,788
Wis.	12,302	21	104,889
Wyo.	930	27	9,318

Legion Men's Reunion

The ninth annual convention of the home office chapter of the Western & Southern Legion, service organization of the company, will be held Friday and Saturday at the home office. More than 700 members with from five to 50 years of service and numerous guests will attend, the sessions closing with a dinner at which President C. F. Williams will preside.

Lawrence Succeeds Ferris

NEWARK—John Ferris, who was recently elected vice-president of the Northern New Jersey C. L. U. chapter, has resigned and has been succeeded by Howard C. Lawrence, Newark general agent Lincoln National Life. Mr. Ferris is in Prudential's home office and he felt that the officers should be composed of life underwriters.

F. A. Williams, Mutual Life of New York, and D. B. McEwen, Connecticut General Life, have been added to the executive committee.

XENOPHOBIA

Xenophobia is a strange-looking word, and naturally so, for it means "an unreasonable fear of strangers." Fear of the cold canvass is a form of xenophobia, and the cure for it is to know in advance what you are going to say in the approach and interview, so that you can go in to see a stranger without stuttering.

Perhaps like many underwriters you are critical of organized sales presentations, thinking of them as "canned talks," and "can't and won't use them." And yet you do use them every day.

Consciously or subconsciously, through constant repetition, you borrow or build up a way of saying what you have often to say. In making your sales presentations, a definite group of phrases, and above all a definite pattern of the sale, is something that becomes instinctive with you. Whether or not you do intend it, and whatever you prefer to call it, that is your own organized presentation.

Basically it does not matter whether you build up your own pattern or borrow it piecemeal from the experience of successful underwriters. But of course it does make a whale of a lot of difference how good a chooser you are.

In the matter of xenophobia in cold canvass, what concerns you most is an organized approach to ease you into your organized sales presentation.

* * *

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Insurance Will Help Cushion Economic Shock After War

The imperative need for maintaining, extending and strengthening gains made in social welfare was stressed by Richard M. Neustadt, regional director Social Security Board, at the National Fraternal Congress convention in San Francisco. Social insurance will lighten the blows of economic depression following the war. Fraternal societies and private insurance working side by side with the government in providing social security to the public are performing an inestimable public service, he declared. "The more insurance a people has, regardless from what source it comes; the better off their country will be, the more stable will be its economy and the sounder its fundamental position."

Points to European Situation

To show that a nation at war cannot survive a breakdown of its social structure, Mr. Neustadt pointed to Britain's action extending social insurance following the outbreak of the war while in France the government decided that maintaining its comprehensive social insurance system would be a drain on the country's financial resources, and consequently suspended social legislation the first day of the war. The German picture is equally thought-provoking, he declared. Social insurance there has been extended so that today a network of agencies provides protection for both soldiers and civilians injured in the war.

Another Unemployment Problem

When the war is over there is going to be another unemployment problem, Mr. Neustadt warned. However, there is no need to be too pessimistic as labor students, economists and government experts are already studying post-war problems. There will be a depression period but there are good reasons to believe that it is not going to be as serious as that which followed the last war. Many valuable lessons have been learned and management, labor and government are agreed that stern measures must be taken now to prevent unrestricted inflation which, unchecked, inevitably and invariably results in social and economic crashes. The national resources planning board is studying methods of counteracting post-defense economic reaction. To accomplish a shift from war-time to peace-time production without causing a serious disturbance will require the cooperation of all persons. Social insurance provisions which are now in force will provide a great cushioning force.

Provides Supplementary Protection

By providing old age, survivors and unemployment insurance the federal government did not enter into competition with private insurance. Rather, it provided supplementary protection on a compulsory basis. The social security act has helped to make America insurance minded. Millions of people who had given little thought to insurance and other millions who had felt that they were unable to pay for this protection, have now become aware of the tremendous power a few pennies have when they are taken out of every pay check and laid away. Insurance salesmen have found that innumerable wage earners who have been figuring what their benefits under the federal plan will be, have become willing listeners to their sales talks for increasing their insurance protection through private companies and fraternal societies.

The government plan does not provide more than an economic floor for the aged and for the survivors of workers who die, Mr. Neustadt explained. These modest annuities do, however, in many cases mean the difference between actual want and a living. Inevitably, millions of workers will feel that they

need something more to piece out their incomes when they are too old to work and to provide larger amounts for their survivors. "Meeting that need is your job," he declared. "In many cases, by giving persons a start in the direction of providing insurance in a form which is best adapted to meet specific needs, the federal insurance provisions will make a complete insurance program a distinct possibility and encourage them to attain it."

"It is not the function nor the purpose of government insurance to provide all the financial sums which would be desirable at the death or retirement of an individual but to provide the insured persons a basic protection which may become the foundation of the insurance program to meet the individual's need. This basic protection is small. It is intended to meet little more than basic subsistence needs. Furthermore, the benefit formula is such as would leave a relatively large inadequacy of benefits in the middle and upper brackets, considering the higher standard of living of persons within these brackets, that is, persons with incomes of more than \$3,000 a year."

Many Needs Not Covered

Present federal benefits do not cover a number of the family's insurance needs, Mr. Neustadt pointed out. Various members of the wage earner's family often will not be protected at all by the survivor's monthly benefits. Since orphaned children are entitled to benefits only while they are under 18 years old, many persons will want to have additional insurance protection to make further provision for their children's advanced education. The federal insurance plan provides no monthly benefits for widows without children, until they reach the age of 65. It is assumed that these widows will, if they have no other income, find employment. Fraternal insurance may be used and doubtless is

being used to provide funds to bridge the gaps left by federal insurance, as is old line life insurance, he said.

The social security act limits lump sum death payments to cases in which there is no survivor entitled to monthly payments, to six times the primary benefit. This seldom will exceed \$250. Fraternal death benefits are for the most part much larger. There appears to be good reason to believe that the fraternal death benefits will continue to meet the need for a substantial sum to assist survivors in paying last illness and funeral expense and in readjusting themselves.

As there are no federal benefits payable to a large number of individuals in non-covered occupations fraternal insurance will continue to help meet their needs.

No one knows what changes Congress from time to time will make in the social security law, Mr. Neustadt said. It is safe to assume that further improvements will be made as experience accumulates. The social insurance program must be strengthened and expanded. "Coverage of the insurance plan, should, I believe, be extended to all persons who work for a living—including the self-employed, the small business man and professional person, the farmer, the farm hand, the domestic servant, and employees of non-profit institutions. The benefits should be increased and the eligibility conditions should be liberalized."

J. O. Carter, Jr., treasurer Provident Life & Accident, received special honors on his 25th anniversary with the company. At a meeting of officials and department heads President R. J. Maclellan presented him on behalf of the company a gold watch suitably inscribed. W. C. Cartinhour, vice-president and secretary presented the 25-year service emblem. Other speakers included John A. Chambliss, counsel, and L. N. Webb, vice-president in charge of the group-claim departments, both having been connected with the Provident at the time Mr. Carter commenced service in 1916. Mr. Carter is the fifth living home office representative to reach the quarter-century mark in company service.

Beatrice Jones in Fortright Address at Cincinnati

Responsibility for the low prestige of the average life agent, generally speaking, despite the high prestige of life companies, was placed squarely on the shoulders of the agency forces by Miss Beatrice Jones, Equitable Society, president of the New York City Life Underwriters Association of New York City, in her address before the opening meeting of the Cincinnati association last Thursday. Miss Jones is the first woman to be elected New York association president.

Prestige, she said, is that quality which is acquired when one makes good use of and is recognized as using, more than the average of such abilities as are inherently in a person. Today's condition of low prestige, according to Miss Jones, is due to the fact that agents have not demanded the kind of agency system and management that life insurance should have.

In her criticism of the average agent, Miss Jones strongly urged a salesman not to present a picture of life insurance doing more than it really does or can do. While life insurance properly used can solve most of the social and economic ills of the world, asserted Miss Jones, still there is a tendency on the part of some agents to "gild the lily"—to make prospects and policyholders think it will do more than it actually can. This, she pointed out, can do much harm and is in part the reason why agents in general are not so highly regarded. Sell life insurance for what it truly does, giving the facts honestly, she advised, and there will be fewer "kick backs" in the future.

Need Human-Minded Management

Agents need human-minded management by people who know how to teach and to lead and who can make the agent feel important, she asserted, pointing out that the agent does not need praise when he brings in a good case but rather he needs encouragement and a sense of im-



A few territories open to alert, ambitious men who can meet our strict requirements.

Bankers

NATIONAL LIFE

Insurance Company .. Montclair, N. J.

Ralph R. Lounsbury, President
W. J. Sieger, V. P. & Sup't. of Agencies

portance when it has been a long time since he has made a good sale. That is the only time he wants or needs to know what his manager thinks of him, she declared.

Since management, generally speaking, does not seem to realize this and has neglected the human angle while building up the tangible reserves of life insurance, the companies and their managers, according to Miss Jones, need to know more about their agents and to get closer to them. If the agent will seek and demand this closer attention, she continued, the result will be greater recognition of the interdependence of companies and agency forces which is greatly to be desired and of major importance to both groups.

President Surrounded by Women

There would be no prestige problem today if the 6,500,000 present policyholders had been properly sold, she said, in urging all agents to gear themselves by education and by selling the true facts of life insurance to do the kind of a job that will build prestige not only for the individual agent but for the entire agency system.

A novel feature of this opening meeting was the assignment to each attendant of a table number as he or she entered the room. This mixed up all the usual company groups and the active conversation at each table proved the success of this new seating plan for the promotion of good fellowship. W. C. Wilson, president of the association, was the only man at the speakers' table and was surrounded by the women members who were in charge of attendance at the meeting.

Des Moines Agent Uses Birth Notices to Good Effect

W. E. Howard of the W. K. Niemann agency of Bankers Life of Iowa in Des Moines has developed a profitable system of using the vital statistics column in his morning newspaper and the credit reference book for a clever approach stunt.

Every morning Mr. Howard consults the list of new births published in the paper. He checks the father's name in the city directory and the credit reference book and thus eliminates many of the names, but always finds one or two who he decides are prospects.

To the wives of those he has chosen, Mr. Howard sends a pottery baby shoe containing a blooming plant. He has arranged for the floral offering through one of his local florists. The plant goes to the hospital where the baby was born and the mother confined. To each plant is attached a note of congratulations which Mr. Howard signs. Following the delivery of the plant, he waits until he is sure the pleased mother has told her husband about receiving the plant. Then he gets in touch with the father.

In September he sent 27 of the floral offerings to new mothers. He secured 25 interviews with their husbands. He does not sell juvenile policies. Instead he sold five of the 25 fathers a total of \$19,000 insurance, secured five leads and sold an additional \$4,000 in that way. He figured his flower bill at \$20 and his commissions over \$200.

Defense Stamp Sales Gain

WASHINGTON, D. C.—Sales of defense savings stamps for five months have reached the total of \$18,998,000, the U. S. Treasury Department announces.

September sales of \$4,978,000 were the largest of any month since the defense savings program was started, an increase over August of 11.8 percent.

Managing Director Roger B. Hull of the National Association of Life Underwriters returned to Harkness Pavilion at Presbyterian Medical Center this week for a few days of treatments. He expects to be out of the hospital by the end of this week and back at his desk in about two weeks.

Travelers Chicago Branch Opens New Exchange Offices

The Travelers companies were hosts Monday to more than 2,000 friends and business associates in their new quarters on the third floor of the Insurance Exchange building, Chicago. Remodeling and refurbishing of the offices has gone on for more than six months, and the results are strikingly handsome new headquarters for the Chicago branch.

Home Office Men Attend

Among those on hand from the home office were T. W. Cole, assistant superintendent of agencies; R. A. Buck, agency assistant, and H. W. Anderson, assistant superintendent of agencies, life and accident department; L. P. Allison, assistant secretary life department, and M. G. Vincent, branch office supervisor. The latter has been in Chicago off and on the past six months negotiating the new lease and evolving details of the layout.

Welcoming visitors for the local staff were B. H. Groves, manager of life, accident and group lines; S. R. Platten-

burg, cashier and Dr. L. D. Roberts, medical referee.

The new offices comprise approximately 400,000 square feet and include the entire third and half the fourth floors. Offices of the management, agents and members of the cashier's department are consolidated on the third floor, while service departments, such as inspection, medical and physiotherapy are on the fourth.

One of the striking features of the new offices is the elimination of all counters. Instead of having to stand up, customers now can come in and sit down with countermen. The new way is much more friendly and comfortable, and there is a warmer atmosphere all around.

The offices are modern in design. All solid partitions have been removed and replaced with wooden panels and clear glass partitions. The elevators have been enclosed and the public corridors eliminated. Double windows with motor-driven ventilators provide excellent circulation. Special treatment of ceilings and semi-indirect lighting insure quiet and well-lighted working quarters. The new all steel furniture with aluminum chairs create quite an impression on the third floor.

Even the floors have been specially treated, and are covered with linoleum except in the corridors which are laid

with rubber tile, both tile and linoleum being in a design that matches the partitions.

The fact that agents now are all together is one of the big things the modernization has accomplished. Before, they were pretty well scattered, and in some cases it looked like they might not be associated with Travelers at all. There is a large agency room for agents, some of the bank type private offices are for their use, and then there are the increased number of private offices along the east wall, some of which agents use.

The elimination by the building of the skylight from the old light well will permit Travelers an open view into the fountain, shubbery, and flagstone walk now being created.

Travelers is a pioneer lessee in the Insurance Exchange, the companies having taken a 30-year lease in 1912. In 29 years occupied space has increased from 26,000 to 40,000 square feet.

Tri-City Rally in Columbia, Mo.

A "tri-city" meeting of life underwriters was held in Columbia, Mo., with attendance of about 130 from the Columbia, Sedalia and Jefferson City associations. Prewitt B. Turner, Home Life, Kansas City, president of the Missouri association, was a speaker.

My Production Entitles Me to Free Group Insurance Too

"Yes sir, Tom, over and above my regular earnings on my business—my company provides free Group insurance. Of course I must meet certain requirements for the year, but the more I produce, the more insur-

ance protection I have. The plan is now in its seventh year and numerous claims have been paid under it. Worth working for? I should say so!"

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

Fort Wayne

Indiana

Geared To Help Its Fieldmen



OBSERVATIONS

Stinging Criticism

In a lengthy article on volume of life insurance sales, Harold Fleming, New York correspondent of the "Christian Science Monitor," makes some stinging criticisms of life company public relations policies. Since the paper's policy and the tone of Fleming's previous articles on life insurance has always been very friendly, it can be assumed that his statements are sincere and not due to a desire to stir up a controversy. In fact, Fleming is even more critical of the TNEC investigators than of the life companies, though giving the probers the edge in strategy. The section of Fleming's article dealing with the companies' public relations policies follows:

"One more reason deserves mention for the lag in the insurance business and for the difficulties which beset the companies. Their recent public relations policies have been pretty ostrich-like. When the TNEC people attacked them, the testimony was nominally addressed to them but actually to the public. But the companies answered the TNEC 'experts' in their 'Statement' of last August and their 'comments' of last March, in such technical language, that a man had to dig through their answers to get the point. In short, they answered the TNEC people looking straight at them, instead of at the public. While the TNEC report was being widely quoted in a hostile press as showing an alarming rate of lapse and surrender the 'Institute of Life Insurance' was running institutional ads harping on the companies' long record of faithful stewardship—a very worthy point, but wholly uninteresting at that particular time to a public which was being told, by the misuse of statistics, that the companies over-sold and high-pressed insurance at rates determined by collusion. During the entire period of active innuendo, false implication, distortion, and ridicule—one writer painted a deft sidian caricature of the companies by saying: 'I like to think of the frock-coated directors in the Metropolitan tower chatting over their peanut crop'—the companies made virtually no reply and some of the biggest definitely decided to lie low, publicity-wise, till the thing blew over. Such feeble public relations policies seem to be already bearing fruit.

"Incidentally, the Metropolitan directors don't wear frock coats, but the public relations policy of nearly the entire industry, with the possible exception of Northwestern, seems to come down from the days of frock coats and 'Life with Father.'"

Toughest Competitors Curbed

As far as life insurance is concerned, priorities restrictions should have their greatest effect in curbing the flow of money into the automobile and residence construction market. Both these fields, particularly automobiles, have long provided the toughest sort of competition for life insurance. Being usually purchased on the installment plan, they tie up substantial segments of the prospect's monthly income for a discouragingly long distance into the future. Most other items in the luxury class are chicken-feed by comparison.

There has been a tremendous surge of buying automobiles and homes. Even though this wave were to subside at once its effects would continue to be felt for some time because many who would not ordinarily have bought automobiles, homes, or less costly purchases, have done so fearing scarcity and higher prices. Before long however there will be more and more people with spare cash who will not be able to buy new automobiles or new homes. Many other commodities, though available, will be so costly in comparison with remembered price levels that many will balk at buying.

It is among people in this situation, provided higher income taxes and higher living costs have not cut their margins altogether, that hope for increased life insurance sales lies.

When the U. S. Is Insurer

Policyholders who are occasionally irritated at life companies for what seem to be needless complexities and delays should be grateful that the government has not gone into life insurance, as some have suggested. An applicant for life insurance would certainly utter screams of protest if he were required to pay a \$5 penalty because he had happened to be out when the Hooper-Holmes or Retail Credit inspector stopped in to check upon him, particularly if no one had taken the trouble to tell him about the penalty or to give even a remote idea when the inspector would show up.

Yet this is exactly what takes place in a field of insurance which has been taken over by the government—the federal housing administration's insurance of mortgage loans. If the home owner is living in the new house and happens to be out when the FHA inspector calls, a \$5 reinspection fee must be paid. Neither the FHA, the mortgage lending institution or the latter's representative has the responsibility of telling the owner about this penalty. He can complain all he wants to but will find that he is dealing with the government and hasn't much recourse except to write a letter to Mrs. Roosevelt.

New Twist to an Old Racket

So many insurance executives have caught on to the racket of photographers who pretend to have been sent by trade journals but in reality are only trying to sell pictures that one enterprising operator in this field has worked out a new twist. A week or so after the victim has definitely refused to buy, a glamorous feminine voice telephones to say that the studio has made a colored miniature from the best print. The studio entered this in an exhibition and the picture won an award. Instead of the usual \$30 price he can have this lovely miniature for only \$15. The prospect can save himself time and breath by quickly dropping the receiver on the hook.

Incidentally, unless you want to be subjected to a high pressure campaign to buy some pretty mediocre pictures it is a good idea to check with the paper which the photographer claims to be representing. Editors are not in the habit of sending studios on these assignments without first consulting the man whose picture is to be made.

Twin City Group Is Formed

The Twin City Fraternal Life Underwriters Association was organized in Minneapolis with the following officers: President, N. K. Neprud, Lutheran Brotherhood, Minneapolis; vice-president, E. C. Carlson, St. Paul; secretary, W. K. Blewett, Minneapolis; treasurer, Mrs. Edna E. Dugan, St. Paul. G. S. Francis, president Minnesota Fraternal Congress, assisted in the organization. H. L. Ekern, president of Lutheran Brotherhood, was the speaker.

C. L. U. Course in Asheville

A C.L.U. course was started in Asheville, N. C., Oct. 24 with Maurice N. Coleman as instructor.

Members of the advisory committee in charge of instruction are Mr. Coleman, E. Z. Stines, L. B. Ordway, R. F. Moody and John H. Ehle.

Seattle Plans Defense Bond Drive

The Seattle Life Underwriters Association at a luncheon meeting laid plans for a week's drive to enlist the city's 4,000 business firms in the defense sav-

ing stamps and bonds purchase drive. F. J. Broderick, New World Life, and president of the association, is in general charge of the campaign, with W. N. Boyd, Aetna Life, chairman of a special committee.

Seattle Life & Trust Men Meet

The Seattle Life Insurance and Trust Council celebrated its first anniversary at a dinner meeting. W. B. Laney, State Mutual Life, president, was in the chair. Harry Henke, Jr., Seattle attorney, spoke on the 1941 revenue act. The council has 65 members, including representatives from most of the life companies, trust companies and trust departments of commercial banks.

Clark B. M. A. Assistant Secretary

Claude L. Clark has been elected assistant secretary of Business Men's Assurance. Mr. Clark has had extensive insurance training and experience. In 1917 he was appointed deputy insurance superintendent of Missouri and in 1919 actuary of the department. In 1922 he joined Liberty Life of Topeka, Kan., and later became secretary and actuary of that company. When Liberty Life became a part of Business Men's Assurance under a reinsurance agreement last

July, Mr. Clark became associated with B.M.A. In his connection, he will maintain contact with former Liberty Life policyowners and salesmen.

Newfield Sacramento President

Melville Newfield, general agent Equitable Life of Iowa, has been elected president of the Sacramento (Cal.) General Agents & Managers Association.

Thomas Is Des Moines Speaker

Russell Thomas, chief actuary of the life division of the Iowa department, addressed the Des Moines Actuaries Club at its October meeting on "Convention Forms."

CALLED TO SERVICE

Eugene Morey of the life insurance division of the Iowa department has been ordered to report Oct. 24 for induction into the army as a draftee.

A. M. Christensen, Equitable of Iowa, Minneapolis, has reported for service to Fort Snelling, Minn., and Robert Ferguson of the same company in Indianapolis was inducted at Fort Benjamin Harrison, Ind.



IT'S A "BEST SELLER"

The Minnesota Mutual has developed a plan to go hand in hand with Social Security. It is a counter balance that will provide an income for the difference between the Social Security income and the minimum level income desired.

Look over these ADDITIONAL ADVANTAGES enjoyed by our Field Force:

1. A liberal agency contract
2. A plan for financing your agency
3. Accounting methods to guide you
4. Proven plans for finding—training agents
5. A liberal financing plan for your agents
6. A unique supervisory system
7. Organized Selling Plan
8. Unusually effective selling equipment
9. Policies for every purpose: Regular — Family — Juvenile — Women — Group — Payroll-Savings, Social Security, etc.
10. Low monthly premiums

A \$248,000,000 Mutual Company, 61 years old, with an understanding, cooperative Home Office

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

Saint Paul, Minnesota

G. L. Harrison Discusses Defense Financing Plan

(CONTINUED FROM PAGE 3)

ment to check the practice of private placement and competitive bidding by large institutional buyers might be to have the market itself waive some of the total commissions now charged for the services of managing, underwriting and retailing an issue of securities.

"In the case of buyers of large blocks it cannot be said that a commission covering each one of these services is fairly applicable," he said. "Such a concession to the wholesale purchaser would not be a new practice. It would simply be a reversion to an old practice which recognized that commissions charged by the market should bear some appropriate relation to the services actually rendered."

Mr. Harrison also stressed the need of curbing non-defense expenditures by the government and stated that while inflationary tendencies are being curbed in some fields, such as the metals, there seems to be a lack of coordination in meeting the price-rise situation in other fields, notably agricultural commodities.

Life Men Throwing Full Energy Into Defense

(CONTINUED FROM PAGE 3)

to the defense program. The security it creates is one of the greatest factors in the high morale which is evident in the democracies. Life insurance, as it increases in volume, aids the nation in avoiding the spiraling of prices and in warding off the increasing tendency of inflation which so often accompanies periods of increased production such as this. Through the building up of this, as well as all other avenues of thrift in these days, this becomes an important factor in the national economy.

"Life insurance is one of the great common ties of the democracies which will help us to meet the post-war readjustments. This is, indeed, a vital part of your war program and our defense program, for no victory is a victory, if the post-war readjustments prove too severe for the security of the people. In this work, life insurance people will have an important voice. Their contribution will be two-fold, first, the great bulwark of reserves for any emergency, and second, the great stabilizing force of a fundamental institution which looks not only to the present but to the long-time future."

Preach Doctrine of Thrift

The importance of the life agent's work in preaching the doctrine of thrift was emphasized by C. J. Zimmerman, Chicago general agent Connecticut Mutual Life.

Above all, the life agent has preached the doctrine that security, either personal or national, can not be attained without sacrifice. "The public generally is willing to make any sacrifices necessary to achieve security for our way of life in the way of increased taxation, reduced standards of living and longer hours of work. However, we demand that those in public life also make sacrifices and we particularly demand a stoppage of all waste and extravagance by the government as well as by private industries. We demand that those in public life sacrifice political aspirations and that they represent our people as a whole, rather than by representing any minority pressure group," he declared.

Follow Industrial Pattern

Frank L. McFarlane, Aetna Life, Cleveland, urged underwriters to pattern their work as industry patterns its business program. There is a striking similarity between the complete manufacturing process of an efficiently functioning plant and the complete selling process of a good salesman. In manufacturing it is essential that raw materials be received at the time required for use in the initial refining department. Then these materials must

be processed and eventually assembled in their final form.

In the life insurance selling it is equally important that the salesman obtain an adequate supply of raw materials in the form of names of new prospects. Then it is important that he interview these new prospects to see if they can use the service he has available. He must analyze their problems, determine what new insurance is necessary to complete the plan desired by his client, purchase this new insurance for him and eventually see that the entire insurance program is made to work harmoniously together, Mr. McFarlane pointed out.

Find Prospect's Wants

L. E. Simon, New York general agent Massachusetts Mutual, stressed the value and the importance of finding out just what the prospect's ideas are and what he wishes to accomplish through the medium of life insurance. Every agent should adopt this procedure if he wants to increase sales.

A. E. N. Gray, assistant secretary Prudential, gave a vivid description of what he termed the common denominator of success, which is forming the habit of doing things that failures don't like to do.

More than 1,500 attended the sessions.

George Wohlgenuth Goes to New York Office

George E. Wohlgenuth, news editor of THE NATIONAL UNDERWRITER at its Cincinnati office, and editor of the "Industrial Salesman," the monthly publication issued by The National Underwriter Company for industrial life and accident and health companies and agents, is transferred to the New York office at 123 William street, where he will continue in a similar capacity. Hereafter the editorial work of the "Industrial Salesman" will be handled in New York but the business department will continue in Cincinnati.

Mr. Wohlgenuth has had an excellent training in insurance news work. He started at the Cincinnati office after graduating from the University of Michigan and then was transferred to Chicago for more intensive training. He was sent into the field as a salesman in order to get first hand information regarding insurance. In Cincinnati he had a wide acquaintance among insurance men. He will be succeeded as news editor in Cincinnati by Louis H. Martin, who will add that to his other duties.

Injunction in Fidelity Assurance Case Upheld

RICHMOND, VA.—The injunction granted recently by the U. S. district court at Charleston, W. Va., against Commissioner Sims of West Virginia and receivers and commissioners in other states from selling or otherwise disposing of assets of Fidelity Assurance of Wheeling was affirmed by the U. S. circuit court of appeals here this week.

This company filed a debtor's petition in June, 1940, with the result that the Central Trust Company of Charleston was appointed trustee and it is now in process of reorganization. As Sims and the West Virginia receivers were only appellants, the circuit appellate court said in its opinion it did not feel it should pass on the many delicate and complicated questions involved in the case in which parties not before the court were vitally interested.

A writ of prohibition asked by the appellants was denied. Appellants contended that Judge Ben Moore of the lower court was without power to issue any order affecting assets in their possession but that contention was overruled by the appeals court.



... WILL DREAMS COME TRUE?

given the education, he has a chance to make his dreams come true. But what if his father were taken away? Would he have to leave school and turn to any work that came along?

Educational Insurance is becoming increasingly important. As a useful service the Great-West Life has a large number of simple educational trust agreements that are shown in the rate manual for ready use by representatives. They may be simply specified when applications are taken.

THE GREAT-WEST LIFE ASSURANCE COMPANY
Winnipeg, Canada
Head Office Business in Force, \$640,255,615

New Outlets Needed for Company Funds

(CONTINUED FROM PAGE 1)

tions of a type eligible for life companies. The result is that the 49 largest life companies, which had 7.7 percent of their assets in domestic government securities in 1930, had 28.1 percent so invested at the end of 1940. The opening up of new investment outlets for life companies and a greater diversification of their assets appear to be imperative provided always there is no departure from safe investments, he declared.

Pike Sees Danger in Bonds

Commissioner Pike of the SEC based much of his plea for common stock investments on what he termed the dangers of life companies continuing to confine themselves to bonds. The constant demand by life companies for an endless new supply of bonds may in the long run undermine the very security which the life company seeks through its investments, he warned. As bonded indebtedness of a corporation increases beyond a ratio consistent with sound capital structure the safety of each bond correspondingly decreases.

"In their capacity as large savings institutions, the life companies are directing into bonds an increasing amount of capital which might otherwise be invested in common stocks," he said. "The bond demand of our large institutional investors has helped foster the large number of refundings by utilities and industries in recent years. Refundings, despite their immediate benefits to the utility or industrial enterprise, may forebode a dire future for the company with an excessive debt structure perpetuated by refunding."

Warns of Bankruptcies

"Should depression set in and earnings fall off, the weight of fixed charges in an over-bonded company may precipitate bankruptcy. In fact, it often has. Many utilities and industries should be using this period of good earnings to scale off excess debt and put on some equity fat. It should help these companies survive the lean years which may come again and help avert widespread bankruptcies which disrupt the economic structure. Yet the largest investors on today's market, the custodians of great portions of the public's savings, are not permitted to buy equity securities and thereby help put shock-absorbers on the American economy."

Mr. Pike declared that the life companies can help build for post-war economic defense by buying sound equity securities and that by helping avert a deep post-war depression the life companies will be investing in their own safety and security.

Since the laws passed in New York following the Armstrong investigation were what put the ban on common stock investments, Mr. Pike discussed the Armstrong committee's conclusions on this point and said that on study of its report he was not convinced that it stands irrevocably committed to the proposition for which it has been cited. He said it is noteworthy that the Armstrong committee was not severely critical of the investment practice of purchasing stock, as such, but condemned the abuses connected with the practice and that the committee's recommendation was that investments in stocks be prohibited in order to remedy "many of the evils to which the investigation has directed attention." Since many of the evils which the Armstrong committee sought to eliminate no longer exist or appear to be adequately regulated, the underlying reasons for the blanket prohibition on common stock investments seem to have disappeared, Mr. Pike said.

Already Considerable Control

As for life company control of enterprises, Mr. Pike said that companies are powerful influences in the American economy today and actually manage and control many businesses. Consequently, he expressed doubt that lim-

ited investment in common stocks would aggravate the problem.

As to restrictions on common stock investments if made permissible under the New York law, he suggested first that no more than a limited percentage, perhaps 10 percent, of the total assets of a life company should be invested in common stocks; second that no more than a limited percentage of the fund available for common stocks should be invested in the stock of any single company, this percentage being perhaps limited to 5 percent of the fund; third, no more than a limited percentage of the common stock of any single company should be owned by a life company, the suggested limit being 5 percent. Also there should be a dollar amount limit on investments in the common stock of any single company and common stock eligible for life company investments should be listed on national securities exchanges.

Pink Opposes Move

While expressing a sympathetic attitude toward the problem of investment outlets, Superintendent Pink said that the New York department probably would not be much concerned if investments were permitted in a small percentage of common stock but there are two objections: first, if the bars are once let down to permit a 5 or perhaps 10 percent investment in common stocks it would not be long, the principle having been approved, before demands would be made for a much larger percentage; and second and more important, life companies would not only be in a position to control the management policy of the companies in which they invested but would be morally if not legally obliged to do so in the interest of their policyholders.

Mr. Pink recalled that the only fire company operating in New York which had to be taken over during the depression was one which had a large portfolio of common stocks and a relatively small percentage of bonds. Experience, he said, holds up a very strong warning signal against the legalization of common stocks for life companies. Conceding that fine records could be shown by selecting particular stocks over a certain period, he said it was also possible to cite some horrible examples, which he did. He said that while these were not fair, neither should the more favorable pictures be given too much credence.

Prudential Official Speaks

John W. Stedman, vice-president of Prudential, said that in favor of common stocks is the growing scarcity of investment outlets in the bond and mortgage field; the diminishing income return, the outlet for a decreased demand for capital except by government, the lack of any prospect of rise in money rates, and the control of new issues and of money rates and competition in the farm loan field by the government if the Fulmar bill passes, which would nationalize agricultural credit. Also in favor of common stocks would be the factor of wider diversification, since quite a few companies whose common stocks would be suitable for investment have neither bonds nor preferred stocks outstanding.

On the other hand, said Mr. Stedman, the person who devotes his savings to protecting his family through life insurance would not for one moment consider directly investing those savings in common stocks because he does not seek appreciation of his capital but security. In the event that com-

mon stock investments were permitted this policyholder would continue his confidence in life insurance management only if such investment were limited to an extremely small percentage of total admitted assets, a percentage so low that even a very marked shrinkage in the market value of stocks could be comfortably absorbed by surplus.

Since the surplus of a mutual life company may not fairly be built up to a high percentage of assets by penalizing present membership for the benefit of a later generation, the proportionate amount of a company's assets in common stocks should certainly not exceed 5 percent. Assuming that a company with a surplus of 6 percent of assets had invested 4 percent of its assets in common stocks, a drop in stock prices of 50 percent—and that happened in the 12 months between March, 1937, and March, 1938—would have reduced surplus to 4 percent of assets.

Mr. Stedman further raised the question of whether, "in order to diversify slightly our assets and increase our income 2 percent on less than 5 percent of our total assets, we should take the chance of incurring first, responsibility for other businesses than our own—businesses unregulated by federal and state commissions—and second, criticism that we have vaulted outside the province of stewardship and trusteeship into the domain of economic power."

Dwight C. Rose, investment counsel, New York City, said that recognizing the uncertainty of the future and the inability of anyone to forecast the trend of developments or their reaction on any one class of securities, a conservative investment portfolio, whether life company, trustee or individual, would seem to require, if only for proper diversification, at least a minor holding in the healthiest and largest segment of the national economy, the industrial corporations, even though such investments were represented by stock instead of bond certificates. He pointed out that experience over the last few years has clearly shown that the label under which a security is issued and its technical legal description provide little protection to the investor unless the company that issued it can maintain satisfactory earnings. Many railroad and public utility bonds carried by trustees and life companies are today in equity risks, intrin-

sically much weaker than pure equities without funded debt.

If life companies should be permitted to buy common stocks Mr. Rose said that permission should be accompanied by reasonable restrictions as to the percentage of total assets that may be carried in common stocks and that furthermore an important restriction concerning the character of the stocks would relate to the financial structure of the corporation. Shares of pyramided corporations should be definitely prohibited and investment in the shares of companies with little or no funded debt should be encouraged.

There should also be limitation with respect to the percentage of total assets that could be carried in the stock of any one company and perhaps a limitation with respect to the percentage that could be held of any one company's outstanding stock, he suggested. He particularly emphasized that whatever plan is adopted, care must be taken to make sure that the abuses of stock control, and participating in underwriting profits or banking operations, such as was brought out in the Armstrong investigation, are not repeated.

Representatives of the New York Stock Exchange were heard in behalf of stocks but the discussion was necessarily inconclusive because of the great variability in earnings and appreciation depending on what stocks were bought and when.

The previous day the committee heard witnesses on the advisability of amending the New York law to permit trustees to invest in stocks of insurance companies. However, this session dealt entirely with stocks of fire and casualty companies for, as one of the witnesses observed, most of the larger life companies are mutuals and comparatively little life company common stock is available for investment.

Commissioner Harrington of Massachusetts urged the committee to move slowly in changing laws and policies that have been working well for so many years. Assistant Secretary A. J. Martin of the United States Trust Company presented figures showing that 18 of the most actively traded stocks from 1921 to 1940 decreased on the average 59 percent in income and 40 percent in value. A. M. Best, insurance publisher, spoke against the common stock proposal.

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Cardiograms Would Allow Passing of Many Now Rejected

(CONTINUED FROM PAGE 1)

parents are dead at the time he applies for life insurance there is very little correlation between his life expectancy and the ages at which his parents died. It was also shown that the best mortality is to be expected where both parents are living at the time the insurance is applied for, a finding which tends to confirm the results of other studies on this subject.

The authors pointed out that the lack of significance of the parents' ages at death when both have died before the applicant sought insurance might not be the case if the study were being made on a cross-section of the general population. Even assuming that the reported ages of parents' deaths were entirely accurate the results would be affected by a probable tendency of medical and underwriting departments to be more cautious about accepting those with a poor family history while being more lenient with those reporting more advanced ages for their parents' deaths. This would have the effect of making the group with short-lived parents a more select one while those reporting longer-lived parents would be less select.

Tend to Exaggerate

Another consideration tending to invalidate the reported ages of applicants' parents' deaths which the authors pointed out is that applicants and agents, knowing the attitude of companies on the matter of parental history, are likely to exaggerate the ages at which their parents died. Also there are considerations of family pride which make some people overstate their parents' ages.

The authors called attention to the relatively much greater importance of environmental factors as compared with hereditary considerations. They also commented on the possibility that greater longevity supposedly due to heredity might be more the result of favorable environment, as for example the distinctly bad effects of orphanhood on the health and mortality of young people, which effects may be quite lasting. On the other hand, there may be strong beneficial influences from survivorship of parents, influences which may have nothing whatever to do with heredity. For example, parents may be able to help their offspring financially and in other ways and the good mental and spiritual environment of a family, particularly if it is closely linked together, in which the parents survive to late ages, is real and not without effect on the mental and physical health of the children.

Dr. E. J. Stieglitz of the U. S. Public Health Service also discussed the subject of inherited longevity.

Dr. Edward S. Dillon, assistant medical director of Penn Mutual, gave the latest developments in the progress of controlling diabetes. He said it is now established that there are about 660,000 diabetics in the United States and that several times that number will develop diabetes before they die. Commenting on the wide range in the death rates from diabetes, part of which is due to the varying standards of accuracy, with which deaths are reported in different states, Doctor Dillon said that there should be an accurate survey of diabetes in each city and state in order to arouse laymen to the necessity of doing everything possible to control diabetes.

Dr. Dillon's paper was discussed by Dr. Howard F. Root of New England Deaconess Hospital and Harvard Medical School, and William Muhlberg, vice-president and medical director Union Central Life.

Dr. Joyce T. Sheridan, assistant medical director Fidelity Mutual Life, described his study of the transverse diameter of the frontal aortic silhouette. Doctor Sheridan has correlated his find-

ings with body build and has suggested standards for their use.

Dr. H. H. Fellows, assistant medical director of Metropolitan Life and Dr. C. P. Clark, medical director of Mutual Benefit Life discussed Dr. Sheridan's paper. Other speakers were Dr. Halbert L. Dunn, chief statistician for vital statistics of the Federal Census Bureau, who presented a paper on "Vital Statistics and Life Insurance in a Changing World;" Dr. McLeod C. Wilson, Travelers, who showed a motion picture on "Heart Tolerance Following Coronary Episodes;" Dr. B. B. Crohn of New York City and Dr. E. V. Allen of the Mayo Clinic who talked, respectively, on "Achlorhydria and Its Ultimate Significance," and "Peripheral Arterial Disease."

Donald B. Cragin, Aetna Life, association president, conducted the sessions. There was a reception and buffet supper Thursday evening.

Herb Salt Lake City Head

SALT LAKE CITY—F. E. Herb, Penn Mutual, was elected president of the Utah C. L. U. chapter, succeeding Joel Richards, New York Life. M. H. Ridges, New York Life, is vice-president and W. B. Furman, Prudential, reelected secretary-treasurer.

Current Trends Portend Revisions, Maclean Says

(CONTINUED FROM PAGE 1)

Increased responsibilities that changed conditions have brought to them. As evidence, he noted that what may be termed normal purchases of life insurance have been maintained in Canada in the last two years, war and its consequences in government financing and high income taxes, notwithstanding.

He stressed the need for good public relations in all phases of life underwriting through efficient service to policyholders and beneficiaries and through redoubled attention to informing the people of the important relationship of life insurance to national economic stability. The citizen must be shown that life insurance is not only a sound investment for him but for the nation, which has happily proved to be the case in Great Britain.

Presidents Pay Tribute to Little

The Association of Life Insurance Presidents adopted a tribute to Col. Clarence B. Little, late president of Provident Life of Bismarck, N. J.

STOCKS

H. W. Cornelius of Bacon, Whipple & Co., 135 So. La Salle street, Chicago, gives the following stock quotations of life companies as of Oct. 20, 1941:

	Par	Div.	Bid	Asked
Aetna Life	10	1.40*	27 1/2	28
Conn. Genl.	10	.80	25 1/2	27
Contl. Assur.	10	2.00	36	38
Life & Cas.	3	.50	9 1/2	10 1/2
Lincoln Natl.	10	1.40*	27 1/2	29
New World Life	10	.30	4	4 1/2
N. W. Natl. Life	7.50	.30	8 1/2	10
Ohio Natl. Life	10	1.25	29	31
Old Line Life	10	.60	10	11 1/2
Travelers	100	16.00	390	410
Wis. National	10	1.00	16	18

*Includes extras.

Weddell Agency 86th Anniversary

The R. N. Weddell agency of Connecticut Mutual Life in Pittsburgh celebrated its 86th anniversary with formal opening of its new offices at 200 Kopers building.

Guests included public officials and men prominent in various phases of the city's life. The oldest and youngest policyholders of the agency were lined up for a news picture.

Diamond Life Bulletins increase sales. Write 420 E. Fourth St., Cincinnati.

relatives have long considered. I have long considered the Northwestern National which I have known since its organization and your Board of Directors lists many of my old friends.

I have retired from business and we spend winters at our home in St. Petersburg Florida, and our summers here in my Native State. We are both in excellent health and enjoy life.

I might say I hope for five or more years, within which I can study the meaning of old age. Most of my old friends have gone to their reward. My chief occupation now is planning for my family and wondering what the world is coming to.

Personally I enjoy life with my boys and friends and have very little to worry about.

With my best greetings, I am,

Timothy E. By

August 23, 1941

Dear Mr. Arnold:

The purpose of this letter:—a hope that I may express to you my appreciation of "How Can I Be Sure Of The Safety and Soundness Of My Investment In Life Insurance?"

Since I am employed in an attorney's office, the terms "investments", "management", "economic progress", etc., have a particular familiarity and interest to me, but your simple, graphic illustrations of each point presented not only attracted attention, but were easily understandable to any one. May I congratulate you not only on the information given, but on the manner in which it was presented.

And, when I finished studying this booklet, I congratulated myself for turning over many of my problems and worries to those better able to cope with them. I am glad to be a Northwestern policyholder, and I am glad to pay my premiums—my investment in security. To you I transfer my worries over the payment of my last expenses, my security in old age or illness, and the care of my parents in case of my early death.

Yours sincerely,

Esther P. Oppenlander

(Miss) Esther L. Oppenlander

Two Letters

Two letters . . . from persons at two extremes of life — each imbued with the calm assurance that comes with freedom from care and anxiety — each able to enjoy life because of that freedom from worry. The quiet satisfaction reflected in these two letters typifies the confidence and faith held by millions of American policyholders that life insurance will keep its promises to them and their families.

NORTHWESTERN National LIFE INSURANCE COMPANY

G. J. ARNOLD - PRESIDENT



MINNEAPOLIS MINNESOTA

EDITORIAL COMMENT

When to Jump Out of the Pail

PSYCHOLOGISTS have discovered that if you put a frog in a pail of hot water he will immediately jump out but that if you put him in cool water and then gradually heat it up the frog will permit himself to be cooked, apparently being unable to decide exactly when the water is so hot as to be unbearable. Large enterprises behave in somewhat the same way and life companies are not immune. In fact, the more stable the type of activity, the more does the gradualness of changing conditions make it difficult to perceive and to decide just when a change in course should be made, though it is easy enough to see in retrospect what should have been done.

Income disability insurance is the classic life insurance example of waiting too long before jumping out of the pail. But what about the problems that may be today in the stage that disability was in at the time that it could have been inexpensively headed off?

One feature of today's operations is the great but gradual change from what was considered the normal pattern only a decade or so ago, particularly in regard to distribution of business by types. Aggravating the problem is the continued low level of interest rates which is still in prospect for as far ahead as anyone can see. Is the cost of writing and handling these types of business being properly appraised? Years ago it was a simple matter. Most of the business was on an annual premium basis, largely ordinary life, 20 pay life and some 20 year endowments. Annuities and other single premium contracts didn't loom very large. Supplementary contracts not involving life contingencies (actuarial slang for money held under options) added up to a relatively trifling total. And over everything was a nice thick cushion of excess interest earnings that gave a comfortable margin above guarantees, even those which run to 3½ and 4 percent.

Furthermore and perhaps the most important consideration, was the fact that these conditions went along substantially the same year after year, while there was little variation between one company and another. By comparing one year with another and one company's operations with another's it was possible to tell, for practical purposes, how you were getting along. If some rarely issued types of contracts didn't quite pay their own way the effect on the earnings of policyholders generally was so trifling as not to be worth considering.

Now, however, conditions have been changing for some time, though quite gradually. Comparisons of one year with another may not be significant at all unless accurate weight is given to the distribution of business according to plans of insurance and there is no very accurate basis for applying these weights.

Comparisons between companies may be misleading unless a vast amount of supplemental data is obtained in addition to that contained in the annual statements or published sources. There is a much greater variance between one company and another than there used to be. One result of this is that a company that has been doing a land-office business in a certain type of coverage because of its liberality in that field decides it has had enough and puts up the bars. The next most liberal then gets a rush of this business and perhaps does not realize what is happening until it is loaded up with more than it would like to have.

The importance of a company's management knowing exactly where it stands is far from academic. For example, a company might be showing a decrease in business in force but an increase in assets. Should its management strive to decrease expenses, on the ground that the company is growing smaller because of its declining insurance in force? Or should it permit a greater amount of expense because of increased assets?

The ideal course would be for management to ask its force what existing practices would be rejected if proposed as new ideas and use the answer as a measuring stick though not necessarily the final one, for continuing these practices. One practical consideration is of course the effect on the field force. Not being composed of actuaries, the field force normally takes the optimistic view. No agent or general agent likes to see his company be the first to take a step which means curtailing business even though he will concede in the abstract, that it should be taken. Quite understandably, the field force wants to keep on selling what the public is willing to buy. Undoubtedly many companies kept on selling disability longer than they would have if the question had been left solely to the actuarial navigators.

In this connection it might be worth noting that a certain amount of today's selling resistance is due to the public's grumbling at being paid lower dividends on old income disability policies. If in-

come disability had been dropped sooner the losses might have been small enough so that they could have been equitably absorbed by the general body of policyholders in moderate amounts over a considerable length of time, thereby avoiding abrupt changes in dividend policy.

Never in Standstill Stage

LET US not lay unction to our souls that we can be in the standstill stage. A person either goes forward or backward. He develops strength or weakness. When one stands still he just about ceases to exist. A person either grows or he shrinks. He becomes more useful

The inherent stability of life insurance is so great that it can be expected to weather the roughest storms. Even though no question of safety is involved, an alert, far-seeing, resolute command on the bridge can add much to the success of the voyage.

or less useful. He finds himself more successful or less successful. Everyone has the elements of growth in him and if he does not cultivate them he begins to decay and gradually withers up entirely. That is true of individuals, agencies or larger organizations.

PERSONAL SIDE OF THE BUSINESS

A. B. Kelly, Jr., district manager Lamar Life, in Yazoo City, Miss., and Miss Dorothy Holton were married in Jackson, Miss. She was a member of the Belhaven College faculty.

E. A. Macnutt, vice-president and treasurer of Sun Life of Canada, has received word that his younger son, Percival, previously reported missing, has been wounded and taken prisoner.

V. S. Eagan, one of the top producers in the W. K. Niemann Des Moines agency of Bankers Life of Iowa, is recovering from an operation for a ruptured appendix. He was a member of the Iowa quarter-million dollar club in 1940 and is a former Grinnell College athlete.

David E. Grant, consulting manager in Toronto of Manufacturers Life, has resigned after 38 years of service. He served as inspector throughout western Canada and was also manager in Ottawa and Toronto. He has been consulting manager in Toronto since 1937.

E. L. Carson, Milwaukee manager of Equitable Society and national committeeman of the Milwaukee Association of Life Underwriters, has become a grandfather. The new arrival is the son of Jack Carson, movie and radio actor.

Jack Lauer, well known life insurance broker of Cincinnati has become chairman of the group enrollment division in the Red Cross roll call there. About 100 life men have volunteered to assist him in the work.

A 20-year testimonial dinner was given for **W. J. Austin**, Buffalo manager of Metropolitan Life. Mr. Austin, who began as an agent in that district, was given a motion picture camera by the 100 employees and associate managers of the district.

C. C. Eggleston, home office supervisor, and **Carl Hartfuer**, Syracuse manager and vice-president of the National Veterans' Association of the company, attended.

Harry W. Stanley, Wichita general agent of the Equitable of Iowa, is director of a newly organized glee club of the Wichita Consistory of Scottish Rite Masons.

After 45 years continuous service, **John P. Rogers**, assistant secretary Metropolitan Life, has retired. He joined the company as a policywriter, and

served later as general clerk and then as chief clerk. He was named assistant manager of the ordinary department in 1919, and in 1926 was appointed assistant secretary and office manager of that division.

Arthur P. Johnson, Great-West Life manager at Detroit, has been appointed commissioner of health for Grosse Pointe Park, Mich.

George S. Parrish, treasurer of Life & Casualty, is in the hospital at Nashville recovering from an operation for kidney stones.

C. R. Alexander, Pan-American Life agent at Runge, Tex., recently celebrated his 75th birthday with an application which rounded out four years in the company's App-A-Week Club. Mr. Alexander has been associated with the company since its organization 30 years ago. He wrote the first Pan-American policy in Texas and since has maintained a fine production record.

Walter M. Ivey, Pittsburgh manager Monarch Life, will be honored for his 25 years service in Pittsburgh, at a dinner and dance Nov. 1. Home office officials to be present include C. W. Young, president; Col. J. W. Blunt and Francis L. Merritt, vice-presidents, and Alan Crowell, assistant director of agencies.

Elwood T. Starbuck, manager brokerage department Bankers Life in San Francisco, a former player on teams coached by A. A. Stagg at Chicago and now a football official for games on the Pacific Coast, addressed the Dads Club of the Oakland high school.

DEATHS

Raymond G. Keeney, 72, for several years vice-president of the old Hartford Life, died.

William C. Gartside, a member of the Chicago agency of Northwestern Mutual Life since 1895, died. He was 90 in September. Up to three years ago, when his health failed, Mr. Gartside carried on as a soliciting agent.

Pilot Officer **Huntley D. Brander**, member of the head office actuarial department of Great-West Life, was killed in action over Germany. Mr. Brander joined the company in 1936,



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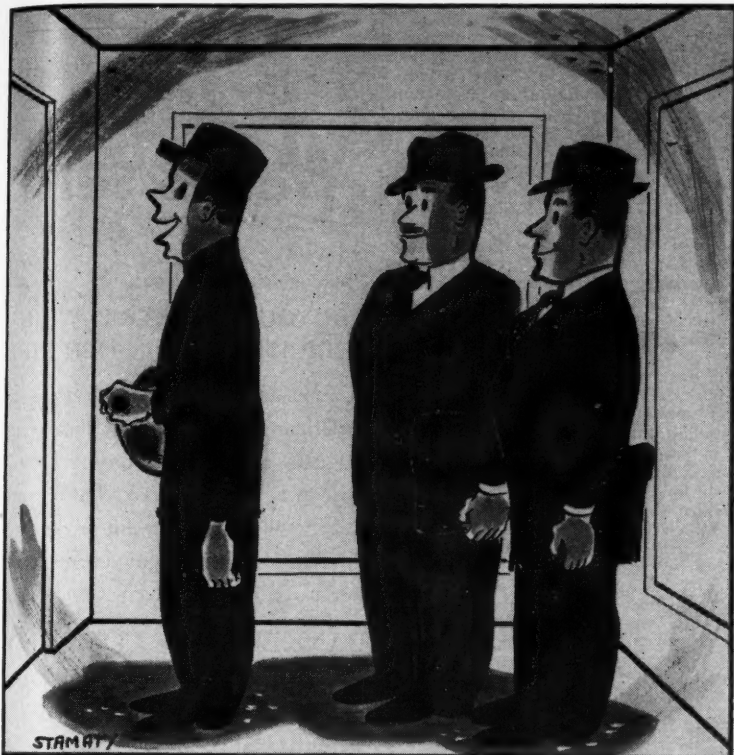
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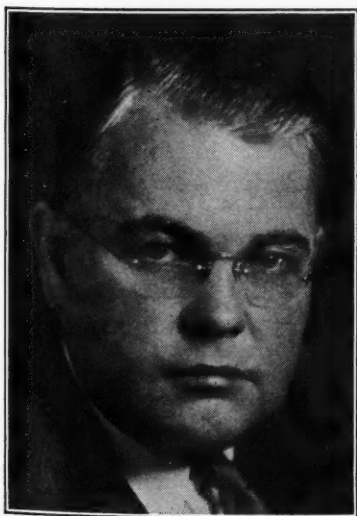
and attended Acadia University and the University of Toronto.

W. M. Echols, 60, who for 20 years was connected with the Equitable Society in Chicago as cashier until he was retired, died at the Orrington Hotel in Evanston, Ill., where he resided. He went with Equitable in 1902.

Walter S. Wolfson, 70, special agent since 1916 for Equitable Life of Iowa at Kansas City, died there. Born in Quincy, Ill., he had lived in Kansas City since 1882.

Mrs. Hester M. Clark, 73, veteran Cleveland woman agent with the New York Life and Guardian Life for many years, died. She was engaged in the insurance business at Elyria, O., before moving to Lakewood in 1923.

Ex-Life Man Dies



L. D. FOWLER

L. D. Fowler, 45, executive vice-president and one of the founders of the Hospital Care Corporation of Cincinnati, died suddenly following an appendectomy last Sunday. He was well known among life insurance men, having been general agent of the Connecticut Mutual in Cincinnati from 1931 until a few

Question of Revised Policy Being a New Contract

The North Dakota supreme court has handed down an important decision in Rott vs. Provident Life of Bismarck, N. D. The question was whether a policy, on which the insured was unable to continue the premium payments and which was reduced and reinstated in such reduced amount, constituted a new contract or was a continuation of the original contract.

The husband and wife were insured and requested the company to reduce the policy to half its original face value. The new policy as issued stated it was to be considered effective as of the date of the original policy. The policy was payable at the death of either insured to the survivor. A receipt and note were executed at the time the new policy was issued and were evidence of the collateral agreement with respect to the payment of the premium then due.

The wife died some five years after the reinstatement of the policy and the company contended that it had lapsed because of non-payment of premiums. The husband contended that he had made a payment to the company prior to the reinstatement for which he had not received credit and introduced evidence to substantiate this claim. The company contended that the new policy issued constituted a new contract and that the court erred in admitting evidence as to previous payments. The company also denied that any such payment had been made.

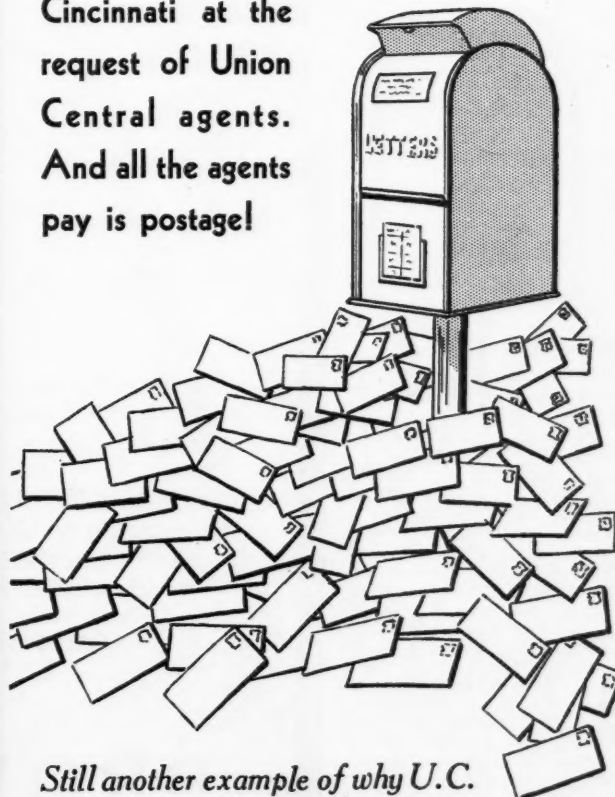
The case had been before the court three times and each time the jury found in favor of the plaintiff on this issue. The fact that the note and receipt were executed did not preclude plaintiff from showing by parol evidence that he had already paid the debt for which the note was given, the court said. The payments which plaintiff contended were made would have continued the policy in force beyond the date when the insured wife died. The court concluded that the reinstatement continued the original policy in the reduced amount and there was no error in the admission of evidence with respect to the payments made prior to the reinstatement.

years ago when he assumed his position with the Hospital Care Corporation.

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CINCINNATI, OHIO

NEWS OF THE COMPANIES

Bright Picture Is Presented by Cleary Illinois Bankers Report Issued

MILWAUKEE—Northwestern Mutual Life's total income for the first nine months amounted to \$167,538,470, including \$101,377,162 premiums and \$42,502,561 interest and rents, President M. J. Cleary reported at the trustees' quarterly meeting here. Disbursements amounted to \$108,821,868, and included \$3,274,887 taxes; 8,274 death claims for \$32,996,384, and dividends to policyholders of \$24,441,759. The total paid policyholders and beneficiaries was \$78,220,790, with an additional \$13,805,276 paid from funds left on deposit, principally under installment settlements.

Total assets amounted to \$1,416,327,560 as of Sept. 30, a \$75,035,368 gain. Investments and other assets included mortgage loans of \$303,351,941; bonds with an admitted asset value of \$855,413,647; real estate, including home office property and land contracts on farm and city properties sold, of \$50,118,632; policy loans of \$127,634,517 and, among other items, cash of \$31,562,499.

Mortality Trend Favorable

"Mortality is a factor of increasing importance in the cost of insurance," President Cleary stated. "Excess interest earnings used to be a major factor in the determination of the net cost to policyholders. Its importance has declined with the reduced interest rate obtainable on satisfactory investments. For the first nine months of this year our mortality was 50.77 percent of the expected, while for the same period last year, it was 55.23 percent, or 4.5 percent greater. If the present mortality trend continues to the end of the year, a very substantial increase in the mortality contribution to surplus will result."

"In addition to the favorable mortality trend, we have experienced a marked reduction in the amount of insurance terminated by surrender or lapsation. Surrenders are 13.4 percent and lapses 11.4 percent below the first nine months of 1940."

Improvement in agricultural conditions has stimulated the demand for farm lands with rises in price values. There have been 489 farm sales since Jan. 1. The aggregate sale price obtained is materially more than the value at which these farms were shown in assets.

Premium Tax Increase in Okla. Causes Withdrawal

Increase in the Oklahoma premium tax from 2 to 4 percent, as well as imposition of a \$200 annual entrance fee, is one of the reasons for the action of Home Life of New York in withdrawing from Oklahoma effective Nov. 1. All collections on Oklahoma business thereafter will be handled from the New York office. Home Life secures a limited amount of new business from Oklahoma, President James A. Fulton declared, in notifying policyholders.

The company entered the state in 1899, withdrew in 1909, and reentered in 1914. On the \$146,457 premiums collected by Home Life in Oklahoma last year as reported by Commissioner Read, a tax of \$2,612, plus the \$200 annual entrance fee, was imposed after deducting dividends and cancellations. There are 4,000 policyholders in the state and \$6,000,000 in force. Bryan L. Bowers of Oklahoma City, has been the Oklahoma general agent for 20 years.

American Home Life Opening

American Home Life held a formal opening last Saturday of its new home office at Ninth and Harrison streets, Topeka.

The Protective Life of Birmingham has been elected to membership in the Life Presidents' Association.

The report of the convention examination of Illinois Bankers Life, that had been the subject of a great deal of discussion between the company management and the authorities, has now been released by the Illinois department. The states represented in addition to Illinois were Maryland, Missouri and Texas. The total cost of the examination was \$22,486.

In a prefatory statement, Insurance Director Jones of Illinois points out that subsequent to this report of examination, Hugh T. Martin, who owns a majority of the Illinois Bankers Life stock, voluntarily conveyed his shares in trust to the Chicago City Bank & Trust Co. and a new board of directors has been elected. Mr. Martin stepped down from the presidency and E. H. Henning is the new president. Mr. Jones advised the new directors to study the report of the proceedings before the Temporary National Economic Committee relating to Illinois Bankers Life for the purpose of ascertaining the remedies, if any, available to the company or policyholders and proceed in accordance with such determination.

The report, according to Mr. Jones, reveals a number of irregularities in handling the investments and real estate holdings. Illegal investments, he states, were made and carelessness in handling a number of investments has resulted in a loss. These loans and investments should be studied by the new directors and appropriate action taken.

Dividend credits and so-called reserve credits, Mr. Jones states, as well as saving fund deposits on terminated policies have not always been properly applied and steps must be taken to advise policyholders of the amounts of these

credits and to apply them in a proper manner.

Liens have not been properly applied on policies of Our Home Life that were reinsured by Illinois Bankers in certain instances. These liens must be adjusted, according to Mr. Jones.

At the time of the examination which was back on Dec. 31, 1939, the assets exceeded liabilities including capital stock in the amount of \$783,659.

The examiners go back to the conversion of the old Illinois Bankers Life Association into a legal reserve company in 1929. The contract was placed with the American Conservation Company for the purpose of exchanging assessment certificates for legal reserve policies. Under the contract, the American Conservation Company received a commission of 70 per cent of the first year's premiums paid on transferred or exchanged policies and 80 percent of the first year's premium and certain renewal commissions on new business or increases secured by the conservation company.

Between 1930 and 1935, American Conservation Company transferred 39,335 policies in an amount of \$56,491,632 and wrote new business of \$2,344,731 on 1,432 policies. Total commissions received by American Conservation Company were \$1,527,452. The report consumes 194 pages and goes into great detail in analyzing the business of various companies that have been reinsured, including Our Home Life, Abraham Lincoln Life of Springfield, Ill., Northwestern Union Life of Illinois.

Would Rehabilitate Pathfinder

GRAND ISLAND, NEB.—Business men of Grand Island are actively working toward rehabilitation of Pathfinder Life, now in the hands of the Nebraska department, with Frank Landis, assistant to the director, in charge. If it is not found possible to refinance the company as a mutual on a solvent basis, it is proposed to organize a stock company which will reinsure Pathfinder, un-

Advertisement



This was the headline:

**IF YOU LOVE YOUR WIFE
KEEP THIS MAN IN HER LIFE**

Thousands — yes, millions — of Americans read it in Time, in August; in the Saturday Evening Post in September; looked at the attractive illustration, went on to read the rest of the ad, right down to the signature at the bottom, which was:

**BANKERS Life COMPANY
Des Moines**

Among those millions of readers were the editors of TIDE, the News Magazine of Advertising and Marketing, a publication on the preferred reading list of the nation's leading advertising and selling executives.

There, said those editors, is a Stopper! And so, in TIDE'S issue of October 1st, the Bankerslife ad-headline appeared in the Stoppers column, along with 24 others, extolling the virtues of various commodities from tires to toothpaste.

In seven years—since November, 1934—the editors of TIDE have chosen seven Bankerslife ad-headlines for listing in its Stoppers Column. That's an average of one a year—and a right good average too, you'll agree.

In their editorial sanctum, the men who make TIDE Magazine read national advertising with the critical but unbiased eyes of experts. To win TIDE'S approval, an advertising headline must have drama—appeal—showmanship—a very definite urge to the reader to read on!

In seven years, TIDE'S editors have said, in effect, that seven Bankerslife ad-headlines have embodied those qualities.

TIDE'S recognition is a challenge to us to keep on telling the American public the story of life insurance—and especially the story of Bankerslife insurance—forcefully, dramatically, effectively.

**BANKERS Life COMPANY
DES. MOINES**

*In Prospecting
the Magic Word is
"NON - CANCELLABLE!"*

**Provident's new COMPLETE PROTECTION
Plan gives Fieldmen that magic entree, finds
prospects eager and willing to listen.**

**COMPLETE PROTECTION combines the
benefits of Life Insurance with those of
Non-Cancellable Disability, guaranteed
renewable to age 65.**

**SAM E. MILES, Agency Manager
Life Department**

**PROVIDENT
Life and Accident
Insurance Company
Chattanooga—Since 1887—Tennessee**

der terms that will permit the placing of liens upon policies, if that is found necessary. Director Fraizer said he would lend all possible aid to the retention of the company as a Nebraska and Grand Island corporation.

On application of the department, the district court has entered an order directing that death claims be paid on the basis of 75 percent of the face value of policies. Director Fraizer said an examination showed a 19 percent impairment.

"Ad" Agency Man Joins Mutual Life

Clifford B. Reeves has been appointed assistant to the president of Mutual Life of New York. Mr. Reeves has been vice-president of Doremus & Co., New York advertising agency.

Mr. Reeves has been associated with Doremus & Co. since 1933. He was connected with the investment banking firm of J. G. White & Co., of which he was a director. Prior to that time, he was engaged in newspaper work and business publishing. He is a well known writer on financial and economic subjects, and has contributed scores of articles to leading American periodicals in recent years.



C. B. Reeves

Keep Tab on Securities

The American Citizens Life of Columbus, O., while operating under a license issued by the U. S. Treasury Department, is continuing transaction of its usual business and is writing new insurance but is not allowed to dispose of any of its securities. Its license from the Treasury must be renewed every 15 days, these restrictions having been imposed due to the claim that its ownership is backed by alien funds, viz., General Insurance Company of Trieste, Italy, which had been conducting a fire insurance business in the United States until recently. It is stated that insurance officials have recommended a change in management.

Mutual Savings Gets Ark. License

Mutual Savings Life, which is reinsuring the business of Central States Life of St. Louis, has been granted a license in Arkansas. A policyholders'

protective committee of the former Home Life of Arkansas, which was reinsured by Central States Life, has recommended acceptance of Mutual Savings Life offer to reinsure the Home Life business in force, about \$3,000,000. The question of the reinsurance contract covering the business of Home Life was not settled in the issuance of the Mutual Savings' license.

U. A. Gentry, former Arkansas commissioner, heads a group of men that has offered to form a new company to take over the Home Life business.

Kerby H. Fisk has been promoted by Prudential to assistant manager of the bond department. B. B. Goslin and G. A. Sweezy, Jr., have been advanced to inspection approvers.

SALES MEETS

Bright Future in Business Pointed Out by Trust Man

RICHMOND—The trust officer of a bank has the opportunity as few people do to see the needs for business insurance. R. L. Gordon, Jr., assistant trust officer First & Merchants National Bank of Richmond, stated at the annual meeting here of the Richmond agency of Mutual Life of New York of which Eldon D. Wilson is manager. Mr. Gordon pointed to the difficult tasks in liquidating a business, or disposing of interests of a deceased partner or officer where there is no satisfactory partnership or stock purchase agreement and no insurance to implement that agreement. A qualified agent who thoroughly mastered the subject of business insurance can make more money than the average successful corporation lawyer, he declared.

Finds Plenty of Business

W. R. Rouse, who took over a southwest Virginia post left by another agent because it was supposed to be exhausted, talked on "Harvesting the Second Growth," telling of the success he had achieved. He found there was plenty of business in his territory to be had if he only went after it.

J. P. Wells, district manager at Danville, was awarded a trophy for paying for the largest amount of business and the largest number of lives during the year. Another trophy went to Guy C. Sheppard, Richmond, for the largest amount of business produced by new agents.

The luncheon was featured by a talk by Lt. Col. P. S. Moses, formerly with the Mutual Life agency in Savannah,

Ga. of which his father, the late Cornelius S. Moses, was manager for many years. Colonel Moses is now state occupational adviser to the Selective Service in Virginia. S. B. Love, retired manager, also spoke.

Forums New Orleans Feature

NEW ORLEANS — Penn Mutual Life's regional conference here conducted by President John A. Stevenson and Eric G. Johnson, vice-president in charge of agency affairs, was featured by four seminars. G. S. Clarke, New Orleans; A. T. Drennan, Birmingham; R. C. McFarlane, Oklahoma City, and F. W. Shank, Montgomery, presided and selling ideas and methods were discussed. J. N. McLean, Jackson, summed up the best ideas.

At an open forum on salary savings, Felix W. Shak, Montgomery, presided with W. J. Probst, home office, salary savings manager, as consultant.

An innovation at the New Orleans conference was a meeting for local policyholders. Responding to an invitation from Dorion Fleming, general agent, about 125 policyholders attended and Mr. Stevenson gave a report on company affairs.

Provident Mutual Parley

SAN FRANCISCO — With Willard K. Wise, vice-president, and Nelson A. White, advertising manager representing the home office, general agents of the Provident Mutual Life from San Francisco, Los Angeles, Seattle and Portland held a two-day conference here.

"Balanced Program of Action"

Connecticut Mutual Life's 2,000 field representatives devoted September to a "Balanced Program of Action," honoring two officials who have just completed 10 years of service, Vincent B. Coffin, vice-president and superintendent of agencies, and Dr. Charles B. Piper, medical director. The month of special effort stressed balanced activities rather than production of business.

Selling by Telephone

A new book, very valuable to salesmen, is issued by Telasell Associates of New York City entitled "How to Sell by Telephone." The author is Earl Prevette, who gives the method and plan by which he sold \$10,000,000 of life insurance. It is a practical book and while it may be devoted primarily to life insurance it can be used in selling any other line. The cost is \$2 and it is sold by THE NATIONAL UNDERWRITER.



Yarns from our Spinning Wheel

"Speak for Yourself, John!"

Although it is more than three hundred years since this classic remark was first uttered, there are few who would fail to identify it correctly. For the benefit of those whose history is rusty, it came from the mouth of Priscilla Mullins, of the Plymouth Colony.

A well-known soldier named Miles Standish, inept in the ways of making love, commissioned a shy young man named John Alden to propose to the fair Priscilla in his behalf. You know the rest. Priscilla married John, and they are now famous ancestors.

In fact, Priscilla and her spinning wheel became so symbolic of Pilgrim providence and thrift, that the New England Mutual incorporated them in the seal, or trademark, that you see above.

So, in the future issues of this publication, New England Mutual proposes to "speak for itself" through the medium of this column, to the life insurance industry. With our "yarns," we shall try to confine ourselves to garments that are "all wool and a yard wide."

New England Mutual

Life Insurance Company

THE FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA • 1835

LIFE REINSURANCE

North American Reassurance Co.
99 John Street Lawrence M. Cathles, Pres. New York

LIFE AGENCY CHANGES

Great-West Makes Three Managerial Appointments

Three managerial appointments in Canada have been made by Great-West Life. D. R. Ferguson becomes head at Montreal, No. 1 agency, G. F. Hagelstein at Edmonton, Alta., and J. Hiles Templin at Hamilton, Ont.

Mr. Ferguson, who has been manager



D. R. FERGUSON

at Hamilton, joined the company in 1927 as district organizer in eastern Manitoba. In 1931 he was called to the head office and in 1932 became inspector of agencies. He was advanced to supervisor of field service three years later and shortly afterward went to Hamilton. He was chosen by the Canadian department of finance last year to organize the war savings employee-employer plan for the prairie provinces.

With Company 21 Years

Mr. Hagelstein, who has been district organizer for the Fraser River Valley, B.C., went with the company in 1919. He has been an outstanding producer, 17 times a member of the company's Honour Club and has won other production awards. He succeeds John House, who has joined the Royal Canadian Air Force as an administrative officer.

Mr. Templin entered insurance as a personal producer in 1932. He has done work in agency building in several cities in Ontario, is prominent in the civic life of Hamilton and a member of the board of directors of the Life Underwriters Association of Canada.

Washington National Names Fersch Akron General Agent

E. A. Fersch, formerly manager of the eastern salary savings division of Washington National, has been appointed general agent for the company at Akron. R. C. Davis of Fort Dodge, Ia., replaces Mr. Fersch and will work out of the home office. He has been manager in a nationally known merchandising organization for a number of years.

Chamberlain Travelers Life Manager at Grand Rapids

Charles C. Chamberlain, assistant life manager of Travelers at Detroit since 1929, has become manager at Grand Rapids. Mr. Chamberlain, who holds a law degree, joined the company as a field assistant at Detroit in 1926. He had previously been employed in the sales promotion department of Standard Oil of Indiana, and had served in the world war. He succeeds the late George J. Scott at Grand Rapids.

Edwin L. Connell, Travelers new Nashville life department manager was formerly assistant Atlanta manager. He

graduated from Mercer University and after serving as district manager for the "Pictorial Review," he joined Travelers as a field assistant in Atlanta in 1936. In 1940 he was made assistant manager.

Arthur Gustafson, who has been advanced from assistant to life manager at Duluth, is a graduate of the University of North Dakota. He was employed in sales and auditing work for the Barnsdall Oil Company and a firm of Duluth contractors before going to Travelers in 1937.

Caspar Named Union Mutual Manager at Pittsburgh

C. Jean Caspar, Jr., has been appointed manager of the Pittsburgh agency of Union Mutual Life. He has been assistant manager of the Times Square ordinary agency of Prudential for several years.

Mr. Caspar, 35 year old, is a native of Pittsburgh. He entered the business 11 years ago as an agent for Massachusetts Mutual in Buffalo and was shortly afterward sent to Pittsburgh. He joined Prudential there as special agent and then went to Detroit as an assistant manager.



C. Jean Caspar, Jr.

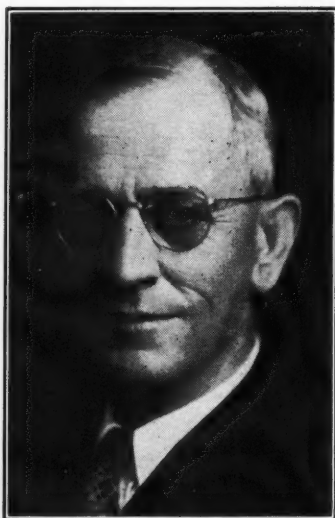
Abernathy District Agent

M. H. Abernathy, of Cochran, Va., a leading agent of the W. T. Nolley agency of Northwestern Mutual Life in Richmond, has been made district agent with nine agents in that territory under him. He has been with the company 14 years, and has qualified eight times for the Marathon Club. He usually pays for around \$250,000 annually.

Buchholz Made Agency Organizer

W. A. Buchholz of Oklahoma City, for many years a leading producer of the E. G. Bewley agency of New York Life, has been promoted to agency organizer. He has been with the company 30 years, 28 years with the Okla-

Named at Dallas



DENNIS G. COLWELL

Dennis G. Colwell, the new general agent of General American Life at Dallas, has been in the business for 30 years and during the last 10 years has paid for more than \$500,000 new business annually.



A General Agent

who came with the Western Life in July, 1939 earned in 1940 \$4,962 on a total written of \$169,000 and a total net paid of \$119,000.

His personal net paid was \$111,000 on which his first year commissions totaled \$3,587.33. His total earnings as a personal producer were \$3,974.57 to which was added general agent's earnings of \$988.15.

General agency openings in California, Oregon, Washington, Idaho, Montana, Utah and Wyoming. Look up our financial statement.

WESTERN LIFE INSURANCE COMPANY

Since 1920

HELENA MONTANA

R. B. RICHARDSON
President

Assets \$15,516,096
Surplus \$2,400,000

LEE CANNON
Agency Vice President

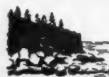
STATE MUTUAL Brokergram

No one person can be expected to know everything about life insurance. That's why we fortify our field force with specialists in the Home Office—men whose life work has been spent in mastering problems of taxation, inheritance, insurance law, programming, conservation, business insurance, etc.

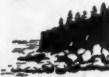
To share generously this vast reservoir of specialized knowledge and sound experience with you, Mr. Broker, is part of our philosophy of selling. We render it cheerfully, in friendly fashion and with human understanding. You'll find your State Mutual General Agent more than willing to co-operate in submitting to us your toughest problems.

State Mutual Life Assurance Company of Worcester, Massachusetts

INCORPORATED 1844



Rugged as New England's Rock Bound Coast



homa agency. He became a "Senior Nylic" in 1932 and has been a member of the "Top club" for years.

W. P. Stagg, for 12 years agency director at Columbus, O., is transferred to the Oklahoma agency as agency organizer.

Knorr of Fort Wayne Resigns

John W. Knorr, northern Indiana general agent Connecticut Mutual, with headquarters in Fort Wayne, has asked to be relieved of his duties as general agent, effective Feb. 1. Mr. Knorr has been general agent for 16 years, five years at Rockford, Ill., and 11 years in Fort Wayne. He has made no announcement as to his future plans.

Dorrity to Lamar in Shreveport

Brown M. Dorrity has been appointed district manager in Shreveport, La., by Lamar Life. For some years he was state manager in Louisiana for Columbian Mutual.

NEWS BRIEFS

Due to residence regulations applying to naturalized United States citizens, it has been necessary for E. A. Todd to relinquish his duties in Cuba for Manufacturers Life and return to the United States, the company announces. H. H. Chapman takes over Mr. Todd's duties.

Wilbur K. Newell has been named as manager of Oregon Mutual Life's new agency at Gearhart, Ore.

Leonard J. Remington, who has been in life insurance for nearly 15 years, has been appointed brokerage manager of the Massachusetts Mutual Life in Newark.

NEW YORK

BIG WEEK FOR KNIGHT AGENCY

The Charles B. Knight agency of Union Central Life in New York City conducted a "back to work week" beginning Oct. 6. The result was 174 applications for \$1,483,497 of new business. Ordinarily the agency's weekly production runs \$300,000 to \$400,000. Mrs. Frances D. Raskin placed first in the campaign with 11 applications for \$34,500.

INSURANCE DEPARTMENT MOVES

Charles F. Noyes Company, Inc., has leased to the state of New York for the use of the department of insurance the entire 14th floor and part of the 15th floor, comprising more than 18,000 square feet, in the office building at 61

Broadway, New York City. The owner of the property is the Broadway-Exchange Corporation controlled by the Estate of August Heckscher.

The entire personnel of the New York City unit of the insurance department, numbering about 200, housed for the last 10 years in the state office building at 80 Centre street, is to be transferred to the new location about Nov. 15. Alterations are now being made on the new space.

Present quarters of the insurance department are being vacated to provide accommodations for the new safety financial responsibility division of the Motor Vehicle Bureau.

CHICAGO

KOENIG WITH GWINN & CO.

Harry Koenig, an experienced life and general insurance producer, has been appointed by Homer Gwinn & Co. of Chicago to do production work in the life department, contacting and assisting brokers and sub-agents. The agency has represented John Hancock Mutual Life for about six years. Mr. Koenig has had 12 years' life insurance experience, all with the Prudential as an industrial life salesman connected with the Chicago No. 1 district under Superintendent C. W. Atchison. He concentrated more on ordinary life production and is experienced in arranging estate programs, life insurance for tax purposes, etc. Mr. Koenig also will develop miscellaneous insurance lines.

Before entering the life insurance business, Mr. Koenig was a professional organist and pianist, having played for a number of years for a chain of movie theaters. He studied the organ with the late Dr. J. Lewis Browne, and also took a theater organ course in the American Conservatory of Music.

BUDINGER AGENCY IN LEAD

The F. J. Budinger general agency of Franklin Life in Chicago led all that company's agencies in the third quarter this year in paid for business, having had a substantial increase. Gordon M. Marshall, agent in the Budinger office, led all agents countrywide in the same period.

Mr. Budinger is starting a series of eight vocational lectures on selling life insurance, to be given by himself and members of his staff in the agency office each Monday and Thursday for four consecutive weeks starting Nov. 10. Classes will be limited to 25. There will be no fee, but those who attend must en-

roll for at least six lectures. The purpose is to attract men from other businesses. Subjects will include life insurance as a career, why men buy life insurance, who are prospects and how they are found, the sales process in the interview, meeting objections, motivation and what makes men act, what is the best policy to own, life insurance mechanics, what makes a good agent good, personal effectiveness and how much money can be made in selling life insurance.

COUNCIL TO HEAR ATTORNEY RYAN

The Chicago Life Insurance & Trust Council will meet Monday noon to hear a talk by James F. Ryan of Lord, Bissell & Kadyk, Chicago, on the new revenue act. He formerly was an attorney with the interpretative division of the office of chief counsel for the Internal Revenue Bureau, later general assistant with supervision of interpretations and review for two years, then in 1939 was assistant chief counsel.

BASEBALL STAR JOINS WIESE

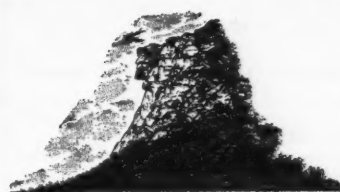
Phil Weintraub, former major league baseball star who last year set the home run batting pace in the Pacific Coast league while playing with Los Angeles until the last three weeks, when a hand injury forced his retirement from the lineup, joined the Wiese agency of Northwestern National Life in Chicago as an agent in the Al Zern unit. He played first base for the New York, Cincinnati and Philadelphia clubs of the National League, played two years with Minneapolis in the American Association and last year was with the Los Angeles club. He will make life insurance selling a career.

WINS PENN MUTUAL CONTEST

Robert T. Wilson, Jr., of the James M. Royer agency of Penn Mutual Life, Chicago, has won the September, 1940, Presidents Club lives contest and a two-day visit to the home office. Mr. Wilson wrote a greater number of cases than any who joined the company in September, 1940.

ROBSON HONORED BY DRIVE

The Insurance Exchange branch of Continental Assurance in Chicago campaigned for four weeks in a "George Robson Month" drive honoring the vice-president in charge of the life department. There were written 198 applications for \$565,419 by 82 brokers who participated. The drive culminated on Mr. Robson's first birthday in the Continental's employ. A group of 30 was entertained at a dinner, invitation being based on production of \$10,000, with a minimum of three applications. Those who doubled



—UNUSUAL POLICY—

aids

UNITED LIFE

and ACCIDENT MEN

in

Prospecting

— and —

Sales

IT IS:

Life Insurance

+ Double Indemnity

+ Triple Indemnity

+ Non-Cancellable
Accident Disability

+ Waiver of
Premiums

For agency details write to
WM. D. HALLER, Vice Pres. & Agency Manager

UNITED LIFE AND ACCIDENT
INSURANCE COMPANY
CONCORD, NEW HAMPSHIRE

**RECOGNIZED
EVERYWHERE
AS....**

"One of The Best"

**CENTRAL LIFE
ASSURANCE SOCIETY**
(MUTUAL)

*Home Office
DES MOINES*

their quotas were permitted to take their wives. Frank A. Miles, associate manager, managed the campaign, which was a complete surprise to Mr. Robson.

ALLISON AND ANDERSON SPEAK

Lawrence Allison, assistant secretary, and Harry W. Anderson, assistant superintendent of agencies, Travelers, spoke at a special sales meeting of Fred. S. James & Co., in Chicago.

INDUSTRIAL

Industrial Executives Confer in Atlanta

ATLANTA—The executive committee meeting of the Industrial Insurers Conference here had all the aspects of a miniature mid-year session, with a large number of company executives present, for whom a general session was held. The executive committee held a closed session following the general gathering. E. L. Phillips, treasurer Gulf Life of Jacksonville, chairman of the executive committee, presided.

Consideration was given the place and date of the next annual meeting but decision was deferred. A number of invitations are before the committee.

Thirty-six officers of 21 company members attended the gathering, some of them coming in the day before for meetings of other committees.

President H. T. Dobbs, vice-president Industrial Life & Health of Atlanta, welcomed the members and discussed numerous phases of the conference's work.

Texas Prudential Agents Gather

The Texas Prudential's industrial department held its annual convention at San Antonio for two days, with R. W. Rogers, agency vice-president, as chairman. Better service to field men and policy owners was stressed. T. E. Flick, vice-president and secretary, thanked agents and their wives for making possible the continued growth of the industrial and ordinary departments. Supt. P. G. Mahoney, San Antonio, spoke on the need for enthusiasm.

"Why We Behave Like Human Beings" was the theme of President W. W. Jackson, San Antonio University, guest speaker. C. W. Blair, assistant secretary, discussed "Underwriting Rules."

He asked cooperation of agents in answering all questions on the application. Supt. J. C. Carver, Tyler, spoke on "Managing Our Duties." He urged building a work schedule and adhering to it.

Others on the Program

R. Tisinger, assistant superintendent, Houston, in a talk "Securing Agency Material," emphasized the importance of proper selection and correct training of agents. J. W. Dickey answered questions concerning problems affecting settlement of claims.

A cocktail party for men was held, followed by a stag buffet dinner. Silver rings, with the company's monogram, were presented to all five-year men and gold rings to all 10-year men. A gold watch and chain, suitably engraved, was presented to Vice-president Rogers. He spoke on "Allotments and Future Plans," stressing life insurance is needed more than ever. Mr. Rogers reviewed the company's progress. T. E. Flick also discussed the company. He stressed faithful service to policyholders and better selection of prospects.

F. R. Mann, assistant treasurer, urged attention be called to errors. R. L. Peck, home office inspector, spoke on "Cooperation with Roadmen." Supt. J. H. Thomas, Dallas, discussed the "Supervisor's Job." "Conservation of Ordinary"

was treated by R. L. Wallace, treasurer. "Planning the Prospect's Program" was the theme of Supt. T. W. Dunn, Galveston. A. C. Rodgers, home office inspector, described the "Agent's Daily Duties."

Department Man Talks

Home Sanford, chief supervisor, life insurance department, Texas department, represented Commissioner Lockhart. He said the department desires to eliminate illegal and improper sales practices in the field. It has insufficient funds for employing an adequate force of investigators and asked cooperation in restricting efforts of those who prey upon the public faith in life insurance.

Hubert W. Green treated "Legal Angles of Life Insurance." E. F. Chamberlin, east Texas, spoke on "Production." R. W. Rogers closed with a brief tribute to the men and their cooperation.

The final evening a banquet was held, President Kempner speaking.

Labor Board Orders Election

NEW YORK—The state labor relations board has ordered an election among the 2,500 industrial agents of Prudential in the New York City area and the adjoining counties of Westchester and Suffolk to determine whether or not they want to be represented by Local 30 of the CIO industrial insurance agents as sole collective bargaining agent. No date was set for the election. The union has also asked for certification as sole bargaining agents for Metropolitan Life agents in the same territory on the basis of the union's claim of representing more than half of the agents involved.

MANAGERS

Four-State Meet in Columbus

Life men from Ohio, Indiana, Kentucky and West Virginia attended a meeting in Columbus Friday under the auspices of the Columbus Association of Life Managers & General Agents, which was addressed by representatives of the Sales Research Bureau. The theme was "Recruiting Today—Men for Tomorrow and Getting These Men into Production."

Supervisors Hear Snortum

S. I. Snortum, assistant manager of the Dewar agency of Equitable Society, addressed the Los Angeles Life Agency Supervisors Association on "Training of New Recruits."

Plan San Francisco Bond Drive

SAN FRANCISCO—A general meeting of all life agents in San Francisco is being arranged by the committee of general agents and managers which will launch a national defense savings bond salary allotment system campaign here

about November 1. It is planned to hold the general meeting at which final instructions will be given to volunteer workers on Oct. 30. Nels J. Nelson, Reliance Life, is chairman. G. F. McKenna, Continental Assurance, is chairman for northern California, and H. Kenneth Cassidy, Pacific Mutual Life, Pacific Coast regional chairman.

Magruder Baltimore Speaker

At the regular quarterly meeting of the General Agents & Managers Round Table of Baltimore W. K. Magruder, general agent of Connecticut Mutual Life, spoke on "Agents' Morale," the subject which was discussed at the general agents and managers conference at the National association convention in Cincinnati.

J. Henry Hooper, Provident Mutual life, presided at the meeting which was attended by thirty-seven members.

Burrus Gives St. Paul Course

Sponsored by the St. Paul Life Managers & General Agents Club, W. B. Burrus, sales counsellor, put on a two-day lecture course on "Life Insurance Selling in a War Economy."

Governor at Richmond Dinner

Governor Price of Virginia will be a guest at the public relations dinner to be held in Richmond Oct. 29, sponsored by the Life Agency Managers of that city and the Richmond C. L. U. chapter. A. W. Hawkes, president U. S. Chamber of Commerce, will be principal speaker.

Columbus Cashiers Elect

The Life Agency Cashiers Association of Columbus, O., has elected A. W. Chapman, Connecticut Mutual, president; Miss Lulu K. Karrer, Equitable Society, vice-president, and Mrs. Edith A. Weiser, Massachusetts Mutual, secretary-treasurer.

Maryland Life to Write Juvenile Insurance

The Maryland Life has started writing juvenile insurance. It is offering three forms of participating endowment or thrift policies; endowment maturing at age 18, another maturing at age 25, another at age 65. They will be written on the lives of children between ages four and a half years and nine and a half years. The company states it will not consider applications from the so-called industrial class. The minimum amount of insurance will be \$1,000 and the maximum \$5,000. The premium for endowment at age 18 for \$1,000 is \$76.17; for age 6, \$82.49; for 7, \$90.21; for 8, \$99.22; for 9, \$111.51. For endowment at age 21, the corresponding premiums for these ages are \$60.84, \$64.78, \$69.50, \$75.15, \$81.89. For endowment at age 65 at the same ages, the premiums are \$25.90, \$25.92, \$25.96, \$26.12, \$36.19.



... A real opportunity for the right man to qualify for a general agency contract with

CENTRAL LIFE of ILLINOIS

INVESTIGATE TODAY!

Central Life
INSURANCE COMPANY
of Illinois

ALFRED MacARTHUR, PRESIDENT
211 WEST WACKER DRIVE, CHICAGO

Hats Off to Our Agency Force



*120% Increase in Insurance in Force in 7 years

This record speaks for itself as evidence of the "esprit de corps" that exists throughout our agency force and company. It also offers evidence of the unusual agency opportunities that have been opened up during recent years by the present forward looking management.

Backed by a friendly, helpful group of company executives, an aggressive agency department, ample sales aids and a comprehensive portfolio of Life, Accident, Health and Hospitalization policies, alert insurance men can set their own course for the future.

We invite inquiries from alert insurance men who appreciate the possibilities that lie in the development of combined Life and A&H sales.



THE UNITED STATES LIFE
INSURANCE COMPANY
IN THE CITY OF NEW YORK

*Excluding business acquired by merger

LEGAL RESERVE FRATERNALS

Kottler New Head of N. J. Congress

Oscar A. Kottler, recorder of Artisans Order of Mutual Protection, Philadelphia, was advanced to president of the New Jersey Fraternal Congress at the annual convention in Atlantic City. He succeeds Alexander Sudnik, Jr., secretary of Sons of Poland, Jersey City.

Other new officers are: First vice-president, Mrs. Helen E. Wold, Royal Neighbors; second vice-president, Lester Torok, Modern Woodmen; secretary-treasurer, H. Bruce Meixel, Philadelphia, Ben Hur Life, reelected.

Heaney Proposes Plan

Thomas R. Heaney, secretary Catholic Order of Foresters, and president National Fraternal Congress, in an address gave intimation of the progressive steps that may be expected in his administration. He stated effort is being made to coordinate work of state fraternal congress and zone their meetings so N.F.C. representatives may arrange an itinerary that will permit attendance at all of them. In the last month since his election he received invitations to attend 11 state congress meetings in the period Oct. 12-Nov. 14, many on conflicting dates and in states located from New Jersey to California. He suggested a plan to schedule state congress meetings in zone 1 in the first quarter year, zone 2, second quarter and so on. This plan he will present to the N.F.C. executive committee at a meeting in New York in December with the idea of making it effective next year.

He said more and more responsibility is falling on the state congress organization. The N.F.C. can coordinate efforts but is entirely inadequate in preventing passage of bad legislation or securing good laws without active co-operation of state congresses. Legislators in their efforts to secure additional taxes have not overlooked the fraternal and if they should succeed there would be imposed additional insurance costs on fraternal members.

Duty to Policyholders

Mr. Heaney said he had no fixed opinion on the proposal in an address made at the N.F.C. annual meeting in San Francisco by the head of a new policyholders organization, that policyholders combine for protection, but the 64,000,000 life insurance policyholders in this country look upon their policies as a stake and equity in the country and he felt would be largely influenced by the substantial thinking and advice of the insurance leaders.

"They look to us to use our influence to hold the value of the dollar to at least its present level, and in this important calling, I am sure we will not be found wanting," he said. "In any organized movement we must be careful not to take part in partisan politics, but we can exert a tremendous influence for good."

Among guests were H. G. Dressel, president, and L. L. Littman, vice-president, Maryland-District of Columbia Fraternal Congress; Miss Louise Patrick, first vice-president Pennsylvania Congress, J. Joseph Rosbottom, vice-high chief ranger Independent Order of Foresters, president, and E. R. Deming, president Unity Life & Accident, past president New York Congress; and Joseph Pawloski, president Sons of Poland.

Among the speakers were Walter Basye, editor "Fraternal Age," on the open contract; George Magowan, Ar-

tisans Order, who has been in fraternal work 60 years and reminisced on the growth of fraternalism, and C. H. Graklow, past head of Artisans Order of Mutual Protection, now director of supplies and purchases of Philadelphia. Mr. Kottler talked on the necessity of knowing the fraternal society and certificate in securing members. L. V. Longbottom, first president New Jersey congress, manager eastern division A.O.U.W. of North Dakota, spoke on ideals.

More than 150 persons attended the annual banquet at which Mr. Kottler was toastmaster. He was presented an arm chair, radio, Stetson hat, traveling bag and pen and pencil set, Louis A. Rehberger, head of Artisans Order making the presentation.

Ledoux Is Retained as Society's Head

Henri T. Ledoux, president of L'Union Saint-Jean Baptiste D'Amerique, Woonsocket, R. I., was reelected president at the quadrennial convention held in Boston, and George Filteau, acting general secretary for the last four years, was elected secretary for a four-year term, succeeding Elie Vezina, Woonsocket, who retired after 30 years' service because of ill health. All other officers were reelected, including Arthur Daviau, Waterville, Me., first vice-president; Dr. J. C. Z. Potvin, Springfield, Mass., second vice-president; Jean G. Picher, Winooski, Vt., third vice-president; Albert E. Trotter, Bristol, Conn., fourth vice-president; Albert L. Lamoureux, Gardner, Mass., treasurer. Dr. F. A. Ruest, Pawtucket, R. I., medical reviser, and Eugene L. Jalbert, Woonsocket, legal adviser, with others hold appointive positions to be considered by the board in March, 1942.

Women hereafter will be permitted seats as delegates in conventions as a result of action taken at Boston. A proposal to increase salaries of President Ledoux and Secretary Filteau from \$6,000 annually to \$7,500 and of Treasurer Lamoureux from \$2,500 to \$3,500, was adopted. Secretary Filteau was praised for his inauguration of modern business methods in the home office and the completeness of reports and other detail work accomplished. It is anticipated membership will be increased to at least 75,000 within the next four years.

Governor and Commissioner Speak

Governor Saltonstall and Commissioner Harrington of Massachusetts addressed the convention. The governor spoke on the American way of life, noting the government has taken on many new services for the people's benefit and these will continue whether the people like it or not. He said fraternal societies safeguard ideals. Commissioner Harrington noted fine progress made by the society in the last four years, and commented on the high degree of solvency and the cooperation of administrative officers.

President Ledoux reported on the new method of securing members which has given excellent results. Total membership June 30 was 60,122, and to date is 4,701 greater than in the last four year

period. He urged "all out" support of national defense and the President's policies, which was done by resolution.

Treasurer Lamoureux sketched the financial condition, with assets June 30 of \$7,331,643, an increase of about \$1,300,000 in the last four years. More than \$1,540,000 was paid in the same period in benefits to members and beneficiaries, and over \$140,000 in special dividends. He reported over \$250,000 profit was realized by sale of financial papers.

Business Is Increasing

Secretary Filteau reported 2,593 adult members died in the period July 1, 1937-June 30, 1941 and 14,233 died in the society's 40 years. A pre-convention campaign resulted in initiating 1,497 adults and 1,534 children this year with total new insurance of \$1,462,400, and in the last four year period 12,347 adult members were enrolled representing an increase of \$8,519,500 insurance. Net increase of insurance in force in the last four-year period was \$3,751,836, whereas in the 12-year period 1925-1937 there was a decrease of \$1,907,550, Secretary Filteau reported.

Joseph Metras, 69, of South Bridge, Mass., third vice-president, died in his hotel room during the convention.

Among by-law changes adopted was one which reduces from 70 to 65 the age at which members can receive financial aid from the aged members pension fund.

Dr. Ruest, medical reviser, reported on the medical status, stating that about one-third of deaths of members in the last four years were caused by heart trouble.

Nebraska Congress Elects Skelbeck

Axel Skelbeck, Omaha, Danish Brotherhood, was elected president of the Nebraska Fraternal Congress at the annual meeting in Omaha. He succeeds Mrs. A. J. Baumann, Standard Life, Grand Island.

Other new officers are: First vice-president, Guy B. Kirk, Woodmen of the World, Omaha; second vice-president, Dr. A. E. Mailliard, Osmond, Catholic Order of Foresters; third vice-president, Roman L. Hruska, Omaha, Western Bohemian, and secretary-treasurer, Mrs. Ruth K. Marhenke, Lincoln, Woodmen Circle, reelected.

It was decided to cooperate with the National Fraternal Congress in a suggestion from President T. R. Heaney in setting future congress meeting dates at a time when it will be possible for a representative of the N. F. C. to attend on an itinerary of state congress meetings. The Nebraska date hereafter will be some time between Sept. 15 and Nov. 15.

Past presidents' pins were presented to 12 living past presidents.

Speakers included F. R. Bruning, Omaha police department, on "Rules of Safety;" Director Fraizer of Nebraska; Mrs. Dora Alexander Talley, president

Woodmen Circle, on "Youth in Fraternity;" Bradley C. Marks, president A.O.U.W. of North Dakota; Rainey T. Wells, general attorney Woodmen of the World, Omaha, on "Fraternal's Responsibilities;" J. Earl McFadden, superintendent of extension work A.O.U.W. of North Dakota. The Rev. W. H. Traub spoke on pushing back the wilderness and developing homes, happiness and human cooperation.

Woodmen Circle provided an honor escort for the meeting consisting of the LaRocca-Talley guards of Omaha with Mrs. Emma Wilson, captain. W. H. Carson, past congress president, installed the new officers and Mrs. Baumann was toastmistress at the banquet.

Director Fraizer said the large enthusiastic attendance indicated fraternalism had great vitality. "I believe there is a very definite place and need for fraternalism during the present national emergency," he said. "Fraternalism not only provide insurance in case of disaster caused by the emergency, but you fraternal people know each other and you can exchange thoughts and ideas with one another and thereby quite definitely make a substantial contribution to public sentiment to support our country in this time of threat from abroad."

N. J. Fraternal Enjoined by Court Until Unlawful Practices Are Discontinued

The right of the New Jersey insurance commissioner to enjoin a fraternal beneficiary association from continuing its business until certain unlawful practices are discontinued was re-affirmed by the New Jersey chancery court in the case of the attorney-general against Home Service Society.

After examining the society the insurance commissioner charged that it conducts its business fraudulently by falsely representing the nature of its business and the object of its creation. The commissioner also found that the society is insolvent and that it illegally merged with Durable Life Association. Validity of the merger, however, was left to a final hearing.

Home Service Society was granted permission to do business Aug. 2, 1938.

No Fraternal Procedure

Agents employed by the society to solicit insurance on commission had no knowledge that the society was incorporated as a fraternal organization, and apparently members were not so informed. None of them were initiated or inducted into the society.

The society in its annual statement for 1940 filed with the insurance commissioner listed \$800 in unpaid claims. The commissioner's examination disclosed that unpaid claims for that period were \$2,000.

The court, with power to appoint a custodial receiver to preserve the corporate assets pending litigation, said that

TWOFOLD SERVICE BRINGS PROGRESS

Royal Neighbors of America was chartered in 1895 with a membership of 4,124 in 100 camps and insurance in force of \$576,000. Today the Society is one of the leaders in its field, figures of Jan. 1, 1941, showing: Membership, 506,357; camps, 6,086; insurance in force, \$361,203,384; admitted assets, \$77,671,813, and claims paid, \$112,434,837.

This progress is attributable to the Society's principle of twofold service—Protection and Fraternalism. This principle was firmly implanted by its founders and has been a guiding light for 46 years.

In Protection and Fraternalism the Society has been alert to progress, offering legal reserve life insurance for the whole family, benefits of camp activities, financial aid from its fraternal fund for needy members and benefits of the Royal Neighbor Home to worthy members.

Protection and Fraternalism is a principle that is diligently guarded by

ROYAL NEIGHBORS OF AMERICA

INSURANCE PLUS FRATERNALISM PROTECTS THE WHOLE FAMILY
SUPREME OFFICE ROCK ISLAND, ILL.

PERTINENT FACTS— SUPREME FOREST WOODMEN CIRCLE

Gross Assets \$ 34,832,388.00
Protection in Force 105,066,561.00
Total Membership 132,079

Organized into 2,653 Groves in 44 states
Benefits paid in 1940 to members and beneficiaries \$1,768,796.00

Dora Alexander Talley, National President
Mamie E. Long, National Secretary
Home Office, Omaha, Nebraska

THE WOMAN'S BENEFIT ASSOCIATION Founded 1892

A Legal Reserve Fraternal Benefit Society
Bina West Miller Supreme President
Frances D. Partridge Supreme Secretary
Port Huron, Michigan

evidence warrants issuance of a preliminary injunction.

W. O. W. Official Injured

William Ruess, vice-president of Woodmen of the World, Omaha, was injured in an automobile crash on highway 31 near Omaha in which two people were killed and six others hurt.

Mr. Ruess, who is chairman of the board of auditors; his sister, Mrs. Emma Schumacher, and her daughter Jane were in the automobile accident. Mrs. Schumacher and an occupant of the other car were killed instantly and another person died later at a hospital.

Mr. Ruess suffered a fractured leg and Miss Schumacher a fractured right wrist and knee injuries.

The accident was practically duplicated the following day when Rainey T. Wells, general attorney of W. O. W.; John J. Gill, Jr., manager of the W. O. W. station, and a photographer went to inspect and take pictures of the scene of the tragedy. While they and others who had joined them were studying the place southwest of the intersection where the cars landed after the crash, two other cars crashed at the spot. Gill was struck in the leg by a flying headlight. Seven others were injured in the crash. Mr. Wells escaped injury.

Several Congresses to Meet

A number of state fraternal congresses will hold their annual meetings in the near future. The Indiana congress will meet at Indianapolis Nov. 7-8, the Texas congress at Houston, Nov. 12-13; Pennsylvania at Wilkes-Barre, Nov. 13-14, the same dates as for the Illinois congress meeting at Peoria. The West Virginia congress will meet at Parkersburg soon and the Colorado-Wyoming congress meeting will be in December, the dates to be announced later.

Seeks Unemployment Ruling

A Nebraska court decision is being sought by Labor Commissioner Olsen on the question whether Woodmen of the World, Omaha, which is under the unemployment compensation law, is liable for compensation to women employees who have left its service to get married and then claim unemployment exists. The district court overruled the state department, holding the employee having left voluntarily and without good cause, has no claim on the society's reserve fund.

More things would come to him who waits if they were not captured on the way by him who waits not.

RECORDS

Occidental Life, Cal.—New business written for the first nine months totaled over \$135,000,000. September production totaled more than \$14,000,000, and more than double the figure for September, 1940 and a new all-time record for any month.

Insurance in force Sept. 30 exceeded \$600,000,000.

Ohio State Life—New life insurance paid for in September was 8.5 percent greater than in September, 1940. First year premiums more than doubled, being up 118 percent. Terminations declined 35 percent. Health and accident premiums collected in September were the largest in the history of the company, and were 20 percent greater than last year.

Home Life, New York—September production exceeded that of any such month in the past except two, and it was 28.3 percent better than September, 1940, a new all-time record. Paid for business to date is ahead of 1940 by 15.7 percent.

The Charles A. Finley agency of New York was the top ranking unit for September. The agency is less than two

years old, but it is third in paid-for volume for the country, year to date.

Chicago Life Lawyers Open Season with Strong Card

In a discussion of "Federal Taxation Affecting Life Insurance," John Weaver, Chicago attorney, said at a meeting of the Chicago Life Insurance Lawyers Club that past forms of taxes may be revived. He reviewed various forms of such taxation since 1909.

H. B. Goldstein reviewed some recent Illinois decisions bearing on life insurance.

Dr. A. Ehrenzweig, former head of the Austrian insurance department, discussed some "Reformatory Ideas in Modern Insurance Contract Laws." Modern insurance, particularly life, has become a distinctively American institution, he said.

President Lewis A. Stebbins was in the chair.

Sterling to Write Life Coverage

Sterling Insurance Co., Chicago, has increased its capital from \$100,000 to \$200,000 and secured a license from the Illinois department to write life insurance.

Heretofore it has confined its writings to accident and health, most of it sold by mail. It will now develop writings through agents. It is expanding its quarters. The company had more than \$1,000,000 in accident and health premiums last year and expects to show a 40 percent increase in 1941.

Equitable Society Meeting

G. J. Woodward, manager Equitable Society at Cincinnati, and some 25 of his associates attended the agency's fifth annual outing and informal educational conference at Herrington Lake, Ky. A. R. Jaqua, associate editor of the "Diamond Life Bulletins," was the principal speaker.

Wage Decree in Newark May End Insurance Issue

NEWARK—The decree signed last week by Federal Judge Walker in the federal court here involving American Insurance Company is the first of its kind against any insurance company.

The decree was the result of a friendly proceeding between the Wage and Hour Administration and American, the company being chosen as representative of the insurance industry. The findings in the case practically apply to all of the important insurance companies, for the reason that the National Board of Fire Underwriters took an active part in the proceedings.

As the result of the decree it is expected that employees of all fire insurance companies will be affected by the order, and their wages and hours will be according to the law of the Wage and Hour Administration, which provides for a 40-hour week and time and one-half overtime. It is anticipated that similar agreements will be effected with the life and casualty insurance companies.

The work of insurance companies is heavy during the latter part of each year and the first part of any new year due to annual reports, tax and other reports which must be rounded up at that time, which as a rule requires overtime.

The decree just signed in Newark, really applies to only 500 American of Newark employees, office workers, accountants and statisticians. It does not apply to adjusters and agents.

Lloyd Has Predecessors' Pictures

Superintendent Lloyd of Ohio has hung in his office, in individual frames, pictures of 23 of his predecessors in office. Three are missing, including the first superintendent, W. M. Church, who served in 1872. Seven of the superintendents are still living. One, Judge Harry L. Conn, served twice.

Rockford Lifemen

Are Having Another Banner Year In:

New Goals Attained
New Services Rendered
New Territories Opened
New Policyholders Served

Attractive General Agency Openings in Illinois, Indiana and Iowa.

ROCKFORD LIFE INSURANCE COMPANY

Rockford, Illinois

FRANCIS L. BROWN, President

LIFE

SELL THEM WHAT THEY WANT

ACCIDENT

HEALTH

Sell the public what it wants—

complete personal protection. You can build a good volume with the Federal

Life and Casualty's accident—health—life protection for both men and women and juvenile life for children. Territory open in 30 states.

FEDERAL LIFE AND CASUALTY CO.

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Sales Ideas and Suggestions

Delicacy in Handling Stubborn Man Is Paramount

NEW YORK—When the agent has clearly presented to the prospect his insurance needs and a plan for positively meeting those needs and has injected the strongest possible appeal to arouse the buying impulse and still the effort to close does not succeed, this apparent failure does not mean that the agent has erred, Edward L. Reiley, general agent Penn Mutual, New York City, told the New York City C. L. U. chapter at its October meeting.

"The prospect's resistance at this point is merely an indication that he is not going to forego his trip, his new car, the vacation or what not without a greater struggle," said Mr. Reiley. "He casts about for a way out of his dilemma. Perhaps he knows the way out from previous experience. So he says, 'I am afraid of inflation,' 'Times are too uncertain,' 'Taxes are going to rise,' or something else which appears to be a sound and logical reason for not accepting your proposal.

Should Review the Situation

"Before determining our next move let us review the situation. Having been granted an interview you proceeded with him to develop and identify his needs and he concurred in these. Then, having exposed a vital problem of his, you carefully explained how it could be solved in the most practical and satisfactory manner. And then you appealed to one or more of the strongest impulses which motivate human beings. If your presentation was effectively executed you dug down deep within your prospect and you awakened the judge, who at this particular moment sits alert on the bench nodding his approval for your plans and challenging your prospect to show cause why he should not proceed.

"The prospect has risen to the occasion. He has named a reason and seeks thereby an out in one of two ways. His first objective is to convince you that his

reason is bona fide and that it justifies a postponement. Because you are the champion of his family's welfare, it is you who are pleading their cause. You are their representative. Be careful here, because if you fail them now, if your faith in your service waivers, he can rightly call on the judge to dismiss the case because both sides agree that no immediate action is indicated.

Must Watch for Trap

"The second possibility, even subtler and therefore more dangerous, is that you undertake a discussion of the factor which he introduced. For example, inflation. When you undertake a discussion or a debate of the pros and cons of any of the subjects suggested as his excuse the judge becomes entirely disinterested and leaves the bench. Our tactics must be therefore to stick to the fundamentals, the means and the solution."

Mr. Reiley suggested, in case the inflation objection is offered, saying something like the following:

"Mr. Prospect, inflation may come or it may not. I don't know and you don't know. But we both know that it doesn't in any sense remove the needs of your family for the indicated income which you declared was a minimum. And most certainly it doesn't supply in any sense the wherewithal to meet those needs. Therefore, Mr. Prospect, the problem remains as you originally established it and it is your problem and only yours. Someone will pay for this insurance, either you now or your family later. Inflation may make it more difficult, but life is never smooth. I am sure that you intend to provide for your family when things become difficult as well as when they are easy, and the only way that you can fulfill this responsibility is to take positive action now because they need it now as much as they ever will."

sole basis of tax avoidance. Mr. Stark has gone over a number of these plans and has found it necessary to have his company decline to act as trustee under some of them because they were not bona fide pension plans but merely tax dodging schemes which were sure to be a source of trouble. While Mr. Stark's bank does not hesitate to act as trustee under a real pension plan it does refuse to pass on tax questions in connection therewith because it is fearful that the tax advantages may prove of temporary duration inasmuch as so many abuses of the plan are being perpetrated through the aid of so-called experts.

"While life insurance in one form or another already bears a considerable tax burden, that burden is not at present brought to the attention of the owners of life insurance policies," Mr. Stark commented. These life insurance policies constitute the biggest block of tax free property that is privately owned. Their value far exceeds the value of all tax exempt bonds. Many states now tax the proceeds of these policies after they have matured and are set up under some one of the settlement options. What is more simple than to tax them to the owners before maturity? They can be easily found by making insurance companies furnish the lists, and the tax will be enforceable, since the cash value of the policy can be made subject to execution.

Agents' Estates Affected

Mr. Stark called attention to recent decisions which may have a decided effect upon agents' individual estates. These construe Section 22 of the Internal Revenue Code to require that in case of death of an income taxpayer the return for the lapsed part of the year in which he died must be made on an accrual basis. If the agent sells \$500,000 worth of life insurance before July 1 in a given year and then dies on July 1 of that year, his executor in making income tax returns for the first six months will have to include as income all of his renewal commissions on the \$500,000, regardless of the fact that some of them will not be payable until nine years later.

This is bad enough, but it looks also as if the revenue authorities may insist on including in that return for the six months period all other renewals to which the agent is entitled at the time of his death, regardless of when payable. In a word, they are going to insist on everything being treated as income which would have been income to the agent if he had lived longer.

Mr. Stark does not object to plans to avoid taxes, but it is important to point out to assured that regulations, decisions and laws change and that no one can say that a plan which is good today will be good tomorrow. Furthermore, it is advisable to have written proof of what the agent tells his customer so that the customer cannot blame the agent for the effect of his own desire to avoid taxes. By doing this the agent opens up for himself the opportunity to bring out the importance of his customers' having enough insurance to pay all taxes and other expenses of dying without drawing too heavily upon his other estate and thus upsetting his entire estate plans. As a matter of fact, Mr. Stark said his department has actually advised people that it does not care to be named as executor of their estates unless they are willing to increase their life insurance, since in many cases the lack of insurance places the executor in a position where he can do nothing but wreck the estate.

Should Emphasize More Cash

Agents and trust men both are inclined to place too much emphasis upon tax avoidance and not enough upon pro-

viding cash with which these taxes can be paid. The easiest and best way to provide funds for paying death taxes is through the use of life insurance. For obvious reasons it is not desirable to do this by making the life insurance payable to the insured's estate. Further, it is unwise to make the insurance to be used for that purpose payable to a member of the family who may die at or near the time of the death of assured.

If sold for paying taxes and other costs of dying, insurance should be placed under a trust agreement which will permit the trustee to purchase from assured's estate such assets as it may select in order to furnish the estate with cash that is needed. If this is done and the residue of the estate is left in a trust which parallels the insurance trust agreement, or to the trustee under the insurance trust agreement, then regardless of market conditions the estate can raise the cash for tax and other purposes without causing the insurance and other estate to suffer any losses due to liquidation, Mr. Stark said.

Aetna Drops Age Rule on Children

Aetna Life, which formerly had a minimum age limit of 14 for children for accident insurance, has now liberalized its rules and will accept children that are in school, including kindergarten. By and large that will mean a minimum age of 5 years. The policy for children provides \$500 medical reimbursement and up to \$5,000 for loss of members. There is no principal sum and no weekly indemnity. There is no exclusion of accidents due to participation in athletics. Some of the companies writing students exact a football and hockey rider, but Aetna Life does not. There is quite a market for the sale of accident insurance on school children.

Grigsby Shifted to Hartford

Coleman Grigsby, who has been with the group department of the W. M. Hammond agency of Aetna Life, Los Angeles, has been transferred to Hartford as manager of the group department of the home office general agency.

Fred D. Byers has been transferred from Denver to the Hammond agency and D. W. Edmonds from Portland, Ore., giving the agency seven men in the group department.

How Many Calls?

How many calls can a salesman wisely make upon a prospect, before giving the proposition up as an unprofitable job? Here's an answer that seems to cover the entire situation:

"Call just as long as you're able to keep yourself sold on the idea that you can sell the prospect. But just as soon as the prospect sells you the idea that you won't sell him, it's certainly time to quit calling."—N. W. National.

Convention Dates

November 3-5, Life Insurance Sales Research Bureau and Association of Life Agency Officers joint meeting, Toronto, Royal York Hotel.

Dec. 8-10, National Association of Insurance Commissioners, mid-winter meeting, New York, Hotel Pennsylvania.

Dec. 9-10, Association of Life Insurance Counsel, New York, Waldorf-Astoria.

Dec. 11-12, Life Presidents Association, New York, Waldorf-Astoria.

Five copies of "Problems of the Smaller Estate" by Attorney G. B. Rogers cost \$1. Order from National Underwriter.

Advises Caution in Use of Tax Avoidance Plans

Extreme caution should be exercised by agents in the use of tax avoidance plans, William A. Stark, vice-president and trust officer of the Fifth-Third Union Trust, Cincinnati, said at the recent meeting of the Georgia Life Underwriters Association.

Such plans may be all right today and tomorrow be made useless by the "legislative attitude" of the U. S. Supreme Court with respect to tax matters and by new Congressional legislation to meet greatly increased demands for tax money now and in the future. Much more consideration is being given to tax avoidance, and authorities at Washington are busy building blockades to such avoidance.

New Possibility for Borrowers

Mr. Stark regards it as likely that in the near future the revenue department will establish a rule creating quite a new possibility where assured borrows on his life insurance from a bank. In such case if assured dies, part of the proceeds of the policy now goes to satisfy a legitimate claim against the estate. The new rule would make the entire proceeds of the policy subject to the federal estate tax in such a situation, even though there is not \$40,000 of

other insurance on the same life.

Mr. Stark believes it is extremely foolish for agents to rely on the recent regulation that taxability of insurance for estate purposes is to be determined by who pays the premiums, and tax lawyers with whom he has discussed the matter agree with him. It is extremely doubtful, Mr. Stark said, that the regulation will be sustained by the courts.

Absolute Assignment

Mr. Stark suggests absolute assignment of the policy. In connection with this regulation it becomes even more important to see that the premiums are actually paid by the person who under the particular plan is supposed to pay them. Clients do not appreciate how important this is and are inclined to the opinion that the result depends on the entries in their records, rather than on who signed the checks. Estates have been extremely penalized as a result of such carelessness.

Under existing laws, decisions, and regulations there are certain tax advantages in a legitimate pension plan. Unfortunately, Mr. Stark said, so-called experts have entered this field who are selling their plans and the insurance arrangements needed therefor on the

NEWS OF LIFE ASSOCIATIONS

Social Security for Life Men Urged by Witherspoon

PITTSBURGH—Extension of social security benefits to all persons in the life insurance business was set forth as one of the National Association of Life Underwriters' legislative objectives of the year by John A. Witherspoon, John Hancock, Nashville, before the Pittsburgh association's 20th annual sales congress. He also urged that more consideration be given the elimination of the unproductive agent. Assistance in the sale of national defense bonds was pledged by Mr. Witherspoon. "The sale of life insurance is our job. People are waiting for us and the story we tell about life insurance. It is the only answer to many problems we know exist. Individually we can solve the economic problems of our clients, collectively we can solve our association problems," Mr. Witherspoon declared. He was introduced by Donald W. Hooton, Pittsburgh general agent for John Hancock.

R. M. Stevenson, National Life of Vermont, president Pittsburgh association, pledged full co-operation in the defense bond and stamp selling program. He announced that N. H. Weidner, Reliance Life, had been named local chairman.

Woodson Stresses Greater Efficiency

The afternoon session was conducted by John M. Holcombe, Jr., and B. N. Woodson of the Sales Research Bureau.

The average agent delivers only 18 to 20 percent of his potential horsepower, Mr. Woodson stated. Just as carbon impairs the efficiency of an engine, an agent's effectiveness is cut

down by the failure to use time control, tell a good story or employ a convincing close.

In prospecting for profit, there are a number of factors involved, Mr. Holcombe pointed out. They are: "attitude, technique, keeping at it, motivating yourself to keep your prospecting system going and making a periodical analysis of your prospecting."

Organize Prospecting Talk

"If we have an organized sales talk for the prospect himself, we ought to have a sales talk for the person who is going to introduce you to him. If you ask me for names I have a tendency to head you towards people in a lower economic group than I am in. What can you do to hold me on the level that I am on? Ask me some questions that will really try imagination."

"The sales curve goes up and down because we don't have raw material to work on. Without raw material the best sales talk can't create business. Continuous effort is best. If I did a good job of prospecting today my sales tend to go up next week and the week after that."

L. K. Babcock, Jr., supervisor Aetna Life, was general congress chairman.

C. L. U. degrees were presented to W. L. McLain, Guardian Life; C. E. Sherer, Midland Mutual, and Philip Sallin, Metropolitan.

To Decide on Minn. Meeting

ST. PAUL—What part the Minnesota Association of Life Underwriters will take to boost the annual 1942 meeting of the National association at Minneapolis will be discussed at a meeting late this month of the executive committee.

It has been the practice of the state association to hold an educational meeting each winter, in either St. Paul or

Minneapolis, but because the national meeting will be held in Minneapolis next summer there has been some question whether the usual state meeting should be held. There is a feeling, however, that a good state-wide convention this coming winter could help a lot in boosting the national meeting later in the year.

President Carl Kleifgen of the state association has therefore decided to call in the executive committee to discuss the matter.

Chicago Division to Meet

Four Chicago general agents who attended the seminar sessions at the annual convention of the National Association of Life Underwriters will review the discussion on agency morale and motivation at a meeting Oct. 28 of the General Agents' & Managers' Division, Chicago. J. H. Brennan, Fidelity Mutual Life, division chairman, will preside. The four speakers will be L. S. Broadbuss, Guardian Life; G. T. Vermillion, Mutual of New York; W. V. Woody, Equitable Society, and P. B. Hobbs, Equitable Society, presiding.

Hedges at Indiana Roundup

Herbert A. Hedges, secretary of the National Association of Life Underwriters spoke at the fall roundup of life underwriters at Turkey Run State Park north of Rockville, Ind. Life men from Indiana and eastern Illinois attended. The meeting has been sponsored for a number of years by the Terre Haute Association of Life Underwriters. C. C. Robinson, editor of "Insurance Salesman," spoke in the afternoon.

Springfield, Ill.—F. J. Budinger, Chicago general agent of Franklin Life, will speak Oct. 31 on "Yours for the Doing."

Madison, Wis.—The October meeting was addressed by William E. North of Chicago, agency director of New York Life. Reports on the National convention were given by Earl E. Wheeler, president of the state association, and by C. R. Welton, president of the Madison association. The program was arranged by Henry Leivestad, manager of New York Life.

Montreal—The association was addressed by Lawrence E. Simon, general agent Massachusetts Mutual, New York City, on "Sales Ideas That Are Working."

Kaukahee, Ill.—H. A. Newhart, Cook county supervisor for Mutual Trust Life, Chicago, spoke on programming. He advocated the use of settlement options to provide the highest degree of flexibility in view of social changes that lie ahead.

Nashville, Tenn.—E. T. Proctor, Northwestern Mutual, has been named state chairman of the life underwriters defense bond committee, and will have associated with him in the local campaign Sam M. McGaw, Connecticut Mutual, president of the Nashville association, and K. L. Dunlap, Prudential, Nashville chairman.

Oklahoma City—F. B. Albritton, vice-president and manager of agencies Great Southern Life, spoke, emphasizing the need for agents setting a goal.

St. Joseph, Mo.—Herbert A. Hedges, Equitable of Iowa, Kansas City, secretary of the National association, and P. B. Turner, Home Life, president Missouri association, spoke on association matters and on life underwriters' participation in defense stamp and bond sales, the latter being the meeting's primary topic.

Kansas City—The women's division held a luncheon meeting. Helen Summy, Equitable Society, St. Joseph, Mo.; Beth McGowan, Aetna Life, and Mrs. Nelle Otto, New York Life, Kansas City, gave reports on the convention of the National association in Cincinnati.

Columbus, O.—John O. Todd of H. S. Vail & Sons, Chicago, will speak Friday on "Life Insurance Is the Answer."

C. W. Griffith, president of the local association will preside with Gilbert Moody, program chairman, introducing the speaker.

Pittsburgh—A 24-week training course in estate protection, taxation and business insurance will start Nov. 1. At the first session "The Need for Advanced Underwriting" will be discussed by H. T. Burnett, vice-president, and R. A. Hilliard, Asheville, N. C., general agent

Arrange Strong Card for West Texas Congress

John Arden of Southwestern Life will be on the program of the West Texas Sales Congress in Amarillo Nov. 17. His subject is "Building Prestige." He is well qualified to discuss this subject, as he has identified himself prominently in Waxahachie. He has developed numerous successful methods of keeping his name and his business favorably before the public.

Another speaker will be Tom B. Reed, Great Southern Life, Oklahoma City, newly elected trustee of the National Association of Life Underwriters, on "Fifty Recipes for Selling."

Reliance Life. On Nov. 8, "Selling the Sole Proprietorship," will be presented by Wallace N. Watson, Boston general agent Connecticut Mutual.

Fort Worth, Tex.—The association is sponsoring a course in advanced life underwriting. The class, which is composed of some 35 or 40 underwriters in Fort Worth, is being taught by Dr. Al Boeck, head of the business administration department of Texas Christian University. He is being assisted by Mr. Brown and Mr. Miller of the T. C. U. faculty. Mr. Brown is instructor in salesmanship at the university, and Mr. Miller has charge of the teaching of banking and financing.

Buffalo.—The Managers' Association will sponsor an informal breakfast Oct. 28 in honor of John A. Witherspoon, president of the National association, who will address a meeting of the Life Underwriters Association at noon.

Wausau, Wis.—Stacy Merchant, Chicago, field supervisor Mutual Trust Life, discussed life underwriting topics. Earl Wheeler, Madison, state president, will address the November meeting and a number of other state leaders will participate in a round-table discussion. Underwriters from neighboring cities and towns will be invited as guests for that occasion.

Ashland, Wis.—About 30 from northwestern Wisconsin attended the first Life Underwriters Institute here, sponsored by the Wisconsin Vocational & Adult Education Board. Erbin Harenburg, employed by the board to conduct life insurance classes as circuit instructor, was in charge, assisted by Ralph Boughton, Wausau; Lenard Moran, Superior, Wis., and Howard Hoene, Duluth, Minn.

Atlanta—W. M. Rothaermel, vice-president Pacific Mutual Life in charge of agencies, said a three-fold increase in life insurance applications has come from persons in military and naval service since the beginning of the crisis. For a long time more than half the buyers were past 30, but the average age now is becoming lower. This is due undoubtedly to the draft and the uncertainty of world conditions. He outlined three fundamentals for successful salesmanship: Proper work habits, proper prospecting and proper sales procedure.

Cincinnati—The first educational seminar heard Wm. Dodd, manager of the Retail Credit Co. speak on "Inspection Reports." He used actual cases—not local ones—to illustrate his points and stressed the selling of the report to prevent ill will on the part of the prospect and its use as a means of securing reference leads.

Albert Hirst's booklet "When a Man Dies" should be in the hands of every one of your large clients. Four copies \$1. Order from National Underwriter.

Outstanding at Peoria Sales Congress



ALAN E. MCKEOUGH



K. E. WILLIAMSON

Starting with a general agents and managers session with K. E. Williamson, Massachusetts Mutual, Peoria, as chairman, on Friday afternoon, the Illinois Association of Life Underwriters and the Peoria association are holding a joint two-day meeting in Peoria Oct. 24-25. Following a dinner in the evening, the Illinois association will hold its semi-annual meeting with President Alan E. McKeough, Occidental Life, Cal., in charge. Honor guests will be John A. Witherspoon, John Hancock, Nashville, new president, and P. B. Hobbs, Equitable Society, Chicago, new trustee, of the National association.

An all-day sales congress will be

staged on Saturday by the Peoria association with President F. Earle Cavette, Massachusetts Mutual and J. M. Clark, John Hancock, general chairman, presiding. Among the speakers will be Mr. Witherspoon, A. H. Kollenberger, Mutual Benefit, Grand Rapids; Insurance Director Jones of Illinois; Paul R. Speicher, R. & R. Service; L. L. Schwinger, Northwestern Mutual, Waterloo, Ia., and Norman B. Collins, president National Security Bank of Chicago, the recently-appointed defense administrator for Illinois, in charge of defense bonds and savings stamps sales. A large attendance is expected at this state wide rally.

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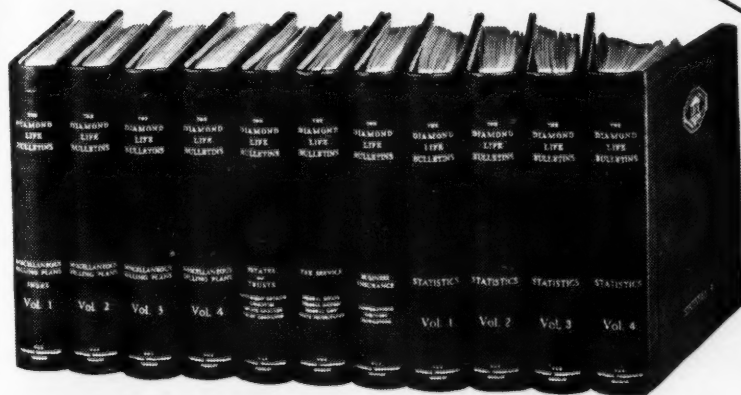
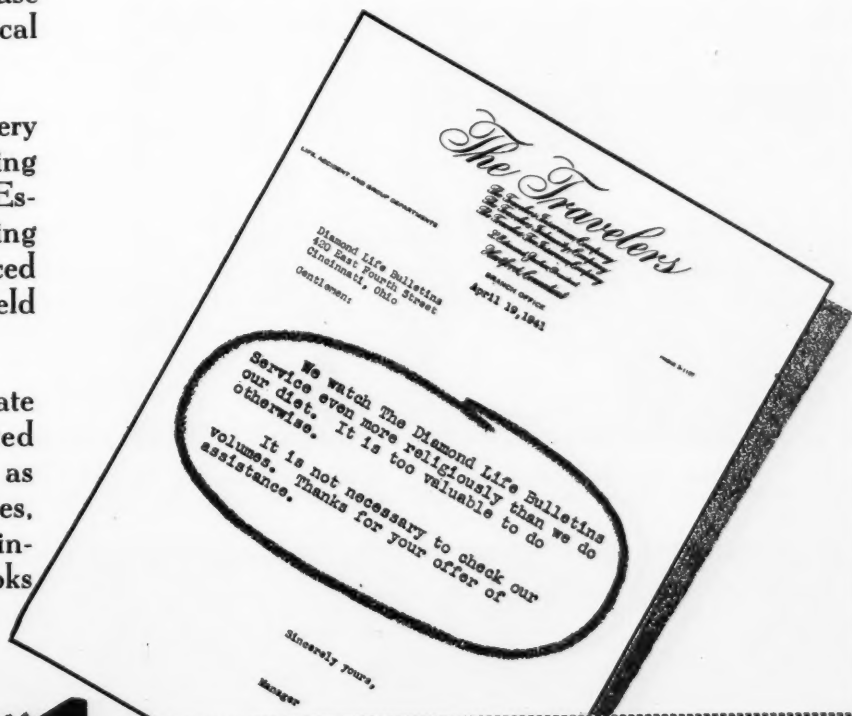
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The Life Underwriters Association of St. Louis launched its national defense bond drive at a breakfast attended by over 900, following which the "Little White House" (left of picture) was dedicated before the post office with 2,000 people witnessing the ceremony. Gale Johnston, Metropolitan Life, St. Louis, national director of the defense bond sales, is shown speaking. Seated are James Callahan, Metropolitan Life, chairman; George L. Dyer, Sr., Columbian National, general co-chairman; Postmaster Jackson; Branch Rickey, president St. Louis Cardinals; C. O. Johnson, Baptist minister; and Mayor Becker. Standing are L. S. Becker, Lincoln National, chairman Missouri association committee; Fred T. Rench, National Life, Vt., treasurer; and Adam Rosenthal, Acacia Mutual, chairman arrangements committee.



O. Sam Cummings (standing second from left), Texas manager Kansas City Life, and a group from the Dallas agency at the state educational conference at Camp Waldemar.



A. L. Dern, vice-president and director of agencies Lincoln National Life, was presented with a cake on his birthday by members of the V. J. Harrold agency in Fort Wayne. From left to right are: Dr. W. E. Thornton, second vice-president and medical director, Esther M. Nessler,

Mrs. Mary Scheffler, Miss Alice C. Dooley, C. E. Harrison, Z. Z. Brown, F. B. Hall, Mrs. Dern, Mr. Dern, John Dern, Mr. Harrold, J. A. Ritzenthaler, P. D. Southern, R. R. Roth, H. T. Cooke, J. L. Mueller, C. B. Jordan, N. Pandorff, Dr. N. M. Benyas, chief examiner in Honolulu, and W. W. Bogart.



TOP—Thomas G. Murrell, general agent Mutual Benefit Life, Los Angeles, and Isaac Kilbrick, New York Life, Brockton, Mass., who addressed the first fall meeting of the New York Life Underwriters Association.

BELOW—Clancy D. Connell, general agent Provident Mutual New York City and newly elected trustee of the National association, presenting the Charles Jerome Edwards cup to President Beatrice Jones, Equitable Society, of the New York association for the latter's outstanding gain in number and percentage of members.



Ray Warren, Cleveland manager, and Russell Kimberley, home office field assistant, at White Sulphur Springs during Manhattan Life's annual convention.